

FORTY-FOURTH DAY

St. Paul, Minnesota, Friday, April 29, 1977

The House of Representatives met on Friday, April 29, 1977, which was the Forty-Fourth Legislative Day of the Seventieth Session of the Minnesota State Legislature. The Senate did not meet on this date.

FORTY-FIFTH DAY

St. Paul, Minnesota, Monday, May 2, 1977

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:

Bang	Gunderson	Luther	Penny	Stokowski
Benedict	Hanson	McCutcheon	Perpich	Strand
Bernhagen	Humphrey	Menning	Peterson	Stumpf
Chmielewski	Jensen	Merriam	Pillsbury	Tennessee
Coleman	Johnson	Milton	Purfeerst	Ueland, A.
Davies	Keefe, S.	Moe	Schmitz	Ulland, J.
Dunn	Kirchner	Nelson	Setzpfandt	Vega
Engler	Kleinbaum	Nichols	Sikorski	Wegener
Gearty	Lewis	Olhoft	Sillers	Willet

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

Prayer was offered by the Chaplain, Rev. Allan A. Grundahl.

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

Anderson	Gearty	Lessard	Perpich	Staples
Ashbach	Gunderson	Lewis	Peterson	Stokowski
Bang	Hanson	Luther	Pillsbury	Strand
Benedict	Hughes	McCutcheon	Purfeerst	Stumpf
Bernhagen	Humphrey	Menning	Renneke	Tennessee
Brataas	Jensen	Merriam	Schaaf	Ueland, A.
Chenoweth	Johnson	Milton	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Moe	Schrom	Vega
Coleman	Keefe, S.	Nelson	Setzpfandt	Wegener
Davies	Kirchner	Nichols	Sieloff	Willet
Dieterich	Kleinbaum	Ogdahl	Sikorski	
Dunn	Knoll	Olhoft	Sillers	
Engler	Knutson	Olson	Solon	
Frederick	Laufenburger	Penny	Spear	

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. Borden was excused from the Session of today. Mr. Olson

was excused from the Session of today until 10:45 o'clock a.m. Mr. Lessard was excused from the Session of today at 11:30 o'clock a.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

April 27, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

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

Sharon Roe Anderson, 5701 Bryant Avenue South, Minneapolis, Hennepin County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

William Brummer, 114 South Main Street, Crookston, Polk County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Dr. Virgil Christensen, 239 West Skyline, Mankato, Blue Earth County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Nathaniel Chumley, Route One, Tenstrike, Beltrami County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Mrs. William Fenelon, 859 Linwood Avenue, St. Paul, Ramsey County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Father Alcuin Henger, Madonna Towers, Rochester, Olmstead County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Helga Neilsen, 635 Harmony, Hutchinson, McLeod County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Erma St. George, Bagley, Clearwater County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Leo Skarda, Route 2, Box 224, Lindstrom, Isanti County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Harold Windingstad, Jr., Dawson, Lac qui Parle County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Health, Welfare and Corrections.

April 27, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

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

Thomas A. Powell, 284 Jansa Drive, St. Paul, Ramsey County, has been appointed by me, effective January 3, 1977, for a term expiring January 1, 1979.

Dorothy Fleming, 5633-40th Avenue South, Minneapolis, Hennepin County, has been appointed by me, effective January 3, 1977, for a term expiring January 1, 1979.

Merrill Fellger, 287 Glenmore Road, Long Lake, Hennepin County, has been appointed by me, effective January 3, 1977, for a term expiring January 1, 1979.

Dr. Paul O. Walker, 2426 Galtier, Roseville, Ramsey County, has been appointed by me, effective January 3, 1977, for a term expiring January 1, 1979.

Referred to the Committee on Agriculture and Natural Resources.

April 27, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

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

Harold W. Schultz, 1176 East Hawthorne Avenue, St. Paul, Ramsey County, has been appointed by me, effective January 3, 1977, for a term expiring January 1, 1983.

Clifford Retherford, 7007 West Shore Drive, Edina, Hennepin County, has been appointed by me, effective January 3, 1977, for a term expiring January 1, 1983.

Referred to the Committee on Health, Welfare and Corrections.

Sincerely,
Rudy Perpich, Governor

April 28, 1977

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

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Act

of the 1977 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1977	Date Filed 1977
	57	37	April 28	April 28

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. Strand, Lessard, Nichols and Penny introduced—

S. F. No. 1491: A bill for an act relating to deaf or mute persons; requiring appointment of interpreters in certain judicial and administrative proceedings; providing for selection and appointment of the interpreters; providing for their compensation.

Referred to the Committee on Judiciary.

Messrs. Strand, Peterson, Schmitz, Renneke and Stokowski introduced—

S. F. No. 1492: A bill for an act relating to local firefighting organizations and retirement of police and firefighters; providing for state firefighters' aid to be paid first to municipalities and subsequently to relief associations; amending Minnesota Statutes 1976, Sections 69.011; 69.021, Subdivisions 4, 5, 6, 7 and 9; 69.031, Subdivisions 4, 5 and 6; 69.051; 69.06; 69.772, Subdivision 2; and Chapter 69, by adding sections; repealing Minnesota Statutes 1976, Sections 69.04; 69.691; 69.774; 424.26; 424.30 and 424.31.

Referred to the Committee on Governmental Operations.

Messrs. Stumpf, Hughes, Mrs. Staples, Messrs. Nichols and Ueland, A. introduced—

S. F. No. 1493: A bill for an act relating to education; libraries; authorizing cooperation between certain public libraries and school media centers; appropriating money.

Referred to the Committee on Education.

Mr. Davies introduced—

S. F. No. 1494: A bill for an act relating to insurance; requiring certain insurance companies to establish policyholder security ac-

counts; prescribing terms and conditions for their maintenance; providing improved security for claimants and policyholders; amending Minnesota Statutes 1976, Chapter 60C, by adding sections.

Referred to the Committee on Commerce.

Messrs. Wegener, Stokowski and Ogdahl introduced—

S. F. No. 1495: A bill for an act relating to municipal obligations; revising provisions relating to advance refunding; amending Minnesota Statutes 1976, Section 475.67.

Referred to the Committee on Local Government.

Messrs. Dieterich, Stumpf and Coleman introduced—

S. F. No. 1496: A bill for an act relating to Ramsey county; providing for additional membership on its civil service commission; further prescribing and clarifying the duties of the commission; eliminating per diem payments for library board members; amending Laws 1974, Chapter 435, Section 3.02; repealing Laws 1974, Chapter 435, Section 1.0208.

Referred to the Committee on Local Government.

Messrs. Dieterich, Stumpf, Hughes, McCutcheon and Chenoweth introduced—

S. F. No. 1497: A bill for an act relating to Ramsey county; providing office and clerical help for the court commissioner; providing for an imprest cash fund; removing redundant provisions relating to tort liability and the retirement of public employees; amending Laws 1974, Chapter 435, Section 1.0214; repealing Laws 1974, Chapters 67; 222; and 435, Section 3.17.

Referred to the Committee on Governmental Operations.

Messrs. Milton, Hughes, McCutcheon and Chenoweth introduced—

S. F. No. 1498: A bill for an act relating to Ramsey county; inserting the county ditch law into the Ramsey county code; amending Laws 1974, Chapter 435, by adding a section; repealing Laws 1974, Chapter 180.

Referred to the Committee on Local Government.

Messrs. Stumpf, Hughes, Sieloff and McCutcheon introduced—

S. F. No. 1499: A bill for an act relating to Ramsey county; deleting obsolete provisions in the Ramsey county code relating to parks and recreation; amending Laws 1974, Chapter 435, Section 1.0205.

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. 1381 and 70.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 29, 1977

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. 813: A bill for an act relating to the county of Carlton; authorization of certain payments to the city of Cloquet.

Senate File No. 813 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 28, 1977

CONCURRENCE AND REPASSAGE

Mr. Chmielewski moved that the Senate concur in the amendments by the House to S. F. No. 813 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 813 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Penny	Spear
Ashbach	Gerty	Lessard	Perpich	Staples
Bang	Gunderson	Lewis	Peterson	Stokowski
Benedict	Hanson	Luther	Pillsbury	Strand
Bernhagen	Humphrey	McCutcheon	Purfeerst	Stumpf
Brataas	Jensen	Menning	Renneke	Tennessee
Chmielewski	Johnson	Merriam	Schmitz	Ueland, A.
Coleman	Keefe, J.	Milton	Setzepfandt	Ulland, J.
Davies	Keefe, S.	Moe	Sieloff	Vega
Dieterich	Kirchner	Nelson	Sikorski	Wegener
Dunn	Kleinbaum	Nichols	Sillers	Willet
Engler	Knoll	Olhoff	Solon	

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. 1034: A bill for an act relating to transportation; appropriating money for the operation of Amtrak rail service between the Twin Cities and Duluth.

Senate File No. 1034 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 28, 1977

Mr. Solon moved that the Senate do not concur in the amendments by the House to S. F. No. 1034, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 362: A bill for an act relating to retirement; miscellaneous amendments to the teachers retirement law; amending Minnesota Statutes 1976, Sections 354.05, Subdivision 2; 354.06, Subdivision 2, and by adding a subdivision; 354.07, by adding a subdivision: 354.10; 354.41, Subdivision 6; 354.43, Subdivision 4; 354.49, Subdivision 5; 354.50, Subdivision 2; 354.53, Subdivision 1; and 354.58.

Senate File No. 362 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 29, 1977

CONCURRENCE AND REPASSAGE

Mr. Stokowski moved that the Senate concur in the amendments by the House to S. F. No. 362 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 362: A bill for an act relating to retirement; miscellaneous amendments to the teachers retirement law; amending Minnesota Statutes 1976, Sections 354.05, Subdivision 2; 354.06, Subdivision 2, and by adding a subdivision; 354.07, by adding a subdivision; 354.10; 354.41, Subdivision 6; 354.43, Subdivision 4; 354.44, Subdivision 1a; 354.49, Subdivision 5; 354.50, Subdivision 2; 354.53, Subdivision 1; and 354.58.

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

The question was taken on the repassage of the bill, as amended.

The roll was called and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Perpich	Stokowski
Ashbach	Gearty	Lessard	Peterson	Strand
Bang	Gunderson	Lewis	Pillsbury	Stumpf
Benedict	Hanson	Luther	Purfeerst	Tennessee
Bernhagen	Hughes	McCutcheon	Renneke	Ueland, A.
Brataas	Humphrey	Menning	Schmitz	Ulland, J.
Chenoweth	Jensen	Merriam	Setzepfandt	Vega
Chmielewski	Johnson	Milton	Sieloff	Wegener
Coleman	Keefe, J.	Moe	Sikorski	Willet
Davies	Keefe, S.	Nelson	Sillers	
Dieterich	Kirchner	Nichols	Solon	
Dunn	Kleinbaum	Olhoft	Spear	
Engler	Knoll	Penny	Staples	

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. 32: A bill for an act relating to shade tree disease control; authorizing grants for municipal shade tree removal and reforestation programs; authorizing a shade tree disease control research program; appropriating money; amending Minnesota Statutes 1976, Sections 18.023, Subdivisions 1, 1a, 2, 3a, 4, 7, 8 and 11, and adding a subdivision; 116.07, Subdivision 4; and 275.50, by adding a subdivision; repealing Minnesota Statutes 1976, Section 18.023, Subdivision 6.

Senate File No. 32 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 29, 1977

Mr. Humphrey moved that the Senate do not concur in the amendments by the House to S. F. No. 32 and that a Conference Committee of 5 members be appointed by the Subcommittee 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. 550, 970, 320, 888, 1017, 1172, 157, 192, 456 and 1180.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 29, 1977

FIRST READING OF HOUSE BILLS

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

H. F. No. 550: A bill for an act relating to the operation of government; providing for aids to education, tax levies, and the distribution of tax revenues; providing additional aids and levies for school districts with declining enrollment; eliminating foundation aid for summer programs for non-handicapped children; changing the method of distributing the agricultural tax credit; eliminating state aid for community education; establishing formulas for current funding of adult and secondary vocational education; creating a legislative school finance study commission; providing special retirement privileges for experienced teachers who teach part time or take an extended leave of absence; appropriating money; amending Minnesota Statutes 1976, Sections 120.10, Subdivision 1; 120.17, Subdivisions 1a and 5a; 121.11, Subdivision 5; 121.902; 121.914, Subdivisions 1, 2, 3 and 4; 121.917, Subdivisions 1 and 2; 123.335, Subdivision 2; 123.39, Subdivision 5; 123.351, Subdivision 5; 123.581, Subdivision 1, 2, 3 and 6; 123.71, Subdivisions 1 and 2; 123.742, Subdivision 1; 124.11; 124.14, Subdivision 1; 124.17, Subdivisions 1, 2, and by adding a subdivision; 124.19, Subdivision 1; 124.20; 124.212, Subdivisions 1, 3a, 6b, 7b and 8a, and by adding a subdivision; 124.213; 124.222, Subdivisions 1a, 1b, 2a, 3, 6, and by adding a subdivision; 124.223; 124.26, Subdivisions 1 and 4; 124.271, Subdivisions 2 and 5; 124.30, Subdivision 5; 124.32; 124.38, Subdivision 7; 124.562, Subdivision 1; 124.565, Subdivisions 1 and 3; 124.57; 124.572; 124.573; 128A.02, Subdivisions 2 and 3; 128A.06; 273.132; 273.138, Subdivision 3; 275.125, Subdivisions 2a, 8, 9, 9a, and 13; and 475.61, Subdivision 4; amending Minnesota Statutes 1976, Chapter 136A, by adding a section; Chapter 354, by adding sections and Chapter 354A, by adding sections; amending Laws 1967, Chapter 822, Section 7, as amended; Laws 1969, Chapter 775, Section 4, Subdivision 2, as amended; Laws 1969, Chapter 1060, Section 7, as amended; and Laws 1976, Chapter 271, Section 94; repealing Minnesota Statutes 1976, Sections 124.215, Subdivision 2a; 124.222, Subdivisions 4 and 5; 124.25; 124.271, Subdivisions 1, 2, 3, 4 and 5; 124.30; 124.562, Subdivision 6; 124.563, Subdivision 4; 124.565, Subdivision 2; 124.57, Subdivisions 1 and 3, as added; 473.633; and 473.635.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 481 now on General Orders.

H. F. No. 970: A bill for an act relating to natural resources; amending certain laws concerning minnows; amending Minnesota Statutes 1976, Sections 97.40, Subdivision 27; 97.45, Subdivision 15; 97.55, Subdivision 13; 98.46, Subdivisions 5 and 17; and 101.42, Subdivision 5.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 822 now on General Orders.

H. F. No. 320: A bill for an act relating to labor; providing for

reduction of the tip credit in computing minimum wage; amending Minnesota Statutes 1976, Sections 177.23, Subdivision 9; 177.24; 177.28, Subdivision 4.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 297 now on the Calendar.

H. F. No. 888: A bill for an act relating to education; authorizing school boards to appoint a student advisory member.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1168 now on General Orders.

H. F. No. 1017: 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 Commerce.

H. F. No. 1172: A bill for an act relating to agriculture; produce; inspection; fees; potato grading; labeling and inspection; prohibiting certain sales of artificially colored potatoes; amending Minnesota Statutes 1976, Sections 27.07; 30.10; 30.20; and Chapter 30, by adding sections; repealing Minnesota Statutes 1976, Sections 30.121; 30.13; 30.14; and 30.478.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1082 now on General Orders.

H. F. No. 157: A bill for an act relating to public utilities; providing for refund of overcharges if certain rates become effective before approval by the public service commission; removing construction in progress from rate bases; prohibiting approval of rates which make allowances for certain advertising expenses; delaying implementation of certain rate schedules; restricting approval of rates which make allowances for charitable contributions; regulating telephone company rates; amending Minnesota Statutes 1976, Section 216B.16, Subdivisions 1, 2, and 6, and by adding subdivisions; and Chapter 237, by adding a section; repealing Minnesota Statutes 1976, Section 237.08.

Referred to the Committee on Commerce.

H. F. No. 192: A bill for an act relating to employment services; administration; eliminating certain provisions relating to political activity of employees; amending Minnesota Statutes 1976, Section 268.12, Subdivision 5.

Referred to the Committee on Governmental Operations.

H. F. No. 456: A bill for an act relating to the operation of state government; providing for the purchase of certain motor vehicles for use by investigative and undercover agents of the department

of public safety; amending Minnesota Statutes 1976, Section 16.07, by adding a subdivision.

Referred to the Committee on Governmental Operations.

H. F. No. 1180: A bill for an act relating to financial institutions; permitting the establishment and operation of electronic funds transfer facilities; 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 Commerce.

REPORTS OF COMMITTEES

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

Mr. Hughes from the Committee on Education, to which was referred the following appointment as reported in the Journal for January 6, 1977:

STATE BOARD FOR COMMUNITY COLLEGES

Mrs. Kathryn C. Vander Kooi

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

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

Mr. Willet from the Committee on Agriculture and Natural Resources to which was referred

H. F. No. 1006: A bill for an act relating to agriculture; transferring certain functions relating to county agricultural societies from the state auditor and the commissioner of finance to the commissioner of agriculture; providing for the reimbursement of expenses of the commissioner of agriculture incurred in examining the records and accounts of county agricultural societies and certain other agricultural related societies or associations; amending Minnesota Statutes 1976, Sections 17.07; 38.02, Subdivisions 1, 2 and 3; 38.04; and 38.13.

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

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 777: A bill for an act relating to agriculture; the family farm security program; eliminating first mortgage requirements for seller-sponsored loans; authorizing retention of land by sellers in lieu of payment of loan guarantees; authorizing sharing of excess proceeds from default sale; allowing payment adjustments for certain loans with unequal annual payments; amending Minnesota Statutes 1976, Sections 41.52, Subdivisions 5 and 8; 41.54, Subdivision 2; 41.56, Subdivisions 3 and 4; 41.57, Subdivision 2; and 41.58, Subdivision 2.

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

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 691: A bill for an act relating to state lands; directing the exchange of certain public lands bordering on public waters in Lincoln county.

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

Page 1, line 19, strike "upon approval of the Minnesota land exchange board,"

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. 129: 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.

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 1976, Section 136A.04, is amended to read:

136A.04 [DUTIES.] The higher education coordinating 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 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 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 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 budget requests, including plans for construction or acquisition of facilities, of the University of Minnesota, the state colleges, 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;

(g) Obtain from private post-secondary institutions receiving state funds a report on their use of those funds;

(h) Continuously monitor and study the transferability between Minnesota post-secondary and higher education institutions of credits earned for equal and relevant work at those institutions, the degree to which credits earned at one institution are accepted at full value by the other institutions, and the policies of these institutions concerning the placement of these transferred credits on transcripts.

Sec. 2. Minnesota Statutes 1976, Chapter 136A, is amended by adding a section to read:

[136A.042] [CREDIT TRANSFERABILITY.] *The higher*

education coordinating board shall recommend to the various post-secondary and higher education systems and to the legislature measures which will increase transferability of credits between the institutions and which will improve student awareness of the credit transfer policies of each system or institution.

Sec. 3. *Prior to January 1, 1978 and January 1, 1979, the higher education coordinating board shall make reports to the appropriate committees of the legislature on its progress in accomplishing the purposes of sections 1 and 2 of this act and on its recommendations for further accomplishing these purposes.*

Sec 4. *This act shall be effective the day following final enactment."*

Further, amend the title as follows:

Page 1, line 2, strike "encouraging post-secondary"

Page 1, strike line 3

Page 1, line 4, strike "comparable work at another institution;"

Page 1, line 5, strike "perform" and insert "monitor and study credit transferability, the acceptance of credits at full value, and the placing of certain credits on transcripts"

Page 1, line 6, strike "certain duties" and insert "; amending Minnesota Statutes 1976, Section 136A.04; and Chapter 136A, by adding a section"

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

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 1107: A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell certain lands in Itasca county; appropriating money.

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

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 45: A bill for an act relating to environmental protection; prohibiting retail sale of milk in nonreturnable, nonrefillable plastic containers; prescribing penalties.

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

Page 1, strike section 1

Page 2, after line 4, insert:

"Subd. 2. After January 1, 1980, all containers of more than one-half gallon capacity containing milk sold at retail or offered for sale at retail in this state shall be returnable, refillable containers approved by the pollution control agency."

Page 2, line 5, strike "2" and insert "3"

Page 2, line 5, strike "subdivision" and insert "subdivisions"

Page 2, line 5, after "1" insert "or 2"

Page 2, line 7, strike "1977" and insert "1978"

Renumber the sections accordingly.

Amend the title as follows:

Line 4, strike "plastic"

Line 4, after "containers" insert "with more than one-half gallon capacity"

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

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 1079: A bill for an act relating to agriculture; seeds; changing the basis for listing restricted noxious weed seeds on labels; prohibiting certain acts; increasing fees; amending Minnesota Statutes 1976, Sections 21.48, Subdivision 3; 21.49, Subdivision 1; 21.53, Subdivision 3; and 21.54, Subdivision 2.

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

Page 5, line 15, strike "April" and insert "July"

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. 56: A bill for an act relating to children; providing visitation rights to minor children in certain cases; amending Minnesota Statutes 1976, Section 257.022, 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. 188: A bill for an act relating to game and fish; defining conviction; increasing the penalty for a conviction related to big game; amending Minnesota Statutes 1976, Sections 97.40, by adding a subdivision; and 98.52, Subdivision 1.

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

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 445: A bill for an act relating to natural resources; acquisition, development, and maintenance of recreational sites along designated canoe and boating routes; amending Minnesota Statutes 1976, Section 85.32, Subdivision 2.

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

Page 1, line 16, after "portages" insert a period

Page 1, line 18, strike ", providing that such" and insert "*The acquisition of any*"

Page 1, line 18, reinstate the stricken words "parcel of land" and after "land" insert "*pursuant to this subdivision*"

Page 1, line 19, strike "*site*" and strike "the acquisition of"

Page 1, line 20, strike "*a parcel*"

Page 1, line 20, strike "*or parcels for said site*" and insert "*it*"

Page 1, line 21, strike the comma and strike "*that the acquisition of*"

Page 2, line 2, strike "*for such site*"

Page 2, line 6, strike "*such*" and insert "*the*"

Amend the title as follows:

Line 2, after the semicolon insert "clarifying procedures for"

Line 2, delete the comma

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. 163, 686, 685 and 1248 for comparison to companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their Second Readings and substituted for their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
685	500	163	117		
1248	1191	686	1055		

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. 1038 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1038	1018				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1038 be amended as follows:

Page 1, line 9, delete everything after "COUNTY.]"

Delete lines 10 to 15

Page 1, line 16, delete "for. In order to correct this error,"

And when so amended, H. F. No. 1038 will be identical to S. F. No. 1018 and further recommends that H. F. No. 1038 be given its second reading and substituted for S. F. No. 1018 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. 414, 525 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
414	337				
525	566				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 414 be amended as follows:

Page 3, after line 10, insert

"Sec. 8. Notwithstanding the provisions of Laws 1963, Chapter 423, Section 1, relating to service pensions for policemen, a policeman whose years of service exceed 20 years shall, upon separation from active service and attainment of the age of at least 50 years, be entitled to receive an additional two percent of the current maximum monthly pay of a patrolman for each full year of service in excess of 20 years of service; provided, however, that additional credit shall not be granted for service in excess of 25 years of service or for service after the attainment of the age of 55 years."

Renumber the remaining section

And when so amended, H. F. No. 414 will be identical to S. F. No. 337 and further recommends that H. F. No. 414 be given its second reading and substituted for S. F. No. 337 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 525 be amended as follows:

Page 1, line 14, strike "such" and insert "the"

Page 1, line 19, strike "Such" and insert "The"

Page 1, line 22, strike "such" and insert "the"

Page 2, line 2, strike "such" before "creating" and insert "the" and strike "such" before "until" and insert "the"

Page 2, line 5, strike "Such" and insert "The" and strike "so"

Page 2, line 15, after "transfer" insert "from the ditch fund" and delete "in the ditch"

Page 2, line 16, delete "fund credited to that drainage system"

Further amend the title in line 2 by deleting "natural resources;"

And when so amended, H. F. No. 525 will be identical to S. F. No. 566 and further recommends that H. F. No. 525 be given its second reading and substituted for S. F. No. 566 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. 685, 1248, 163, 686, 1038, 414 and 525 were read the second time.

H. F. Nos. 1006, 777, 691, 129, 1107, 45, 1079, 56, 188 and 445 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Sikorski moved that the name of Mr. Humphrey be added as co-author to S. F. No. 786. The motion prevailed.

Mr. Hanson moved that H. F. No. 1005 be withdrawn from the Committee on Agriculture and Natural Resources and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1297 now on General Orders. The motion prevailed.

Mr. Stumpf moved that H. F. No. 1161 be withdrawn from the Committee on Education and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 913 now on General Orders. 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. 1023: A bill for an act relating to public indebtedness; regulating the sale of securities by municipalities subject to reverse repurchase agreements; providing penalties for misconduct of municipal officers in the execution of agreements; amending Minnesota Statutes 1976, Section 475.51, by adding a subdivision; and Chapter 475, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 47 and nays 13, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Knoll	Olhoft	Staples
Ashbach	Gunderson	Laufenburger	Penny	Stokowski
Bang	Hanson	Lessard	Pillsbury	Stumpf
Benedict	Hughes	Luther	Purfeerst	Ueland, A.
Bernhagen	Humphrey	Menning	Renneke	Ulland, J.
Chenoweth	Jensen	Milton	Schaaf	Vega
Chmielewski	Johnson	Moe	Schmitz	Wegener
Dunn	Keefe, J.	Nelson	Setzepfandt	
Engler	Keefe, S.	Nichols	Sieloff	
Frederick	Kirchner	Ogdahl	Solon	

Those who voted in the negative were:

Brataas	Dieterich	Perpich	Sikorski	Tennessen
Coleman	Lewis	Peterson	Strand	Willet
Davies	Merriam	Schrom		

So the bill passed and its title was agreed to.

S. F. No. 1093: A bill for an act relating to taxation; providing for county treasurer to certify taxes prior to certification by county auditor; amending Minnesota Statutes 1976, Chapter 272, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 38 and nays 24, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	McCutcheon	Renneke	Stokowski
Bang	Gunderson	Menning	Schmitz	Stumpf
Benedict	Hanson	Moe	Schrom	Ueland, A.
Bernhagen	Jensen	Nichols	Setzepfandt	Vega
Chmielewski	Keefe, J.	Ogdahl	Sieloff	Wegener
Dunn	Kirchner	Penny	Sillers	Willet
Engler	Kleinbaum	Pillsbury	Solon	
Frederick	Laufenburger	Purfeerst	Staples	

Those who voted in the negative were:

Ashbach	Dieterich	Knoll	Nelson	Spear
Brataas	Hughes	Lewis	Olhoff	Strand
Chenoweth	Humphrey	Luther	Perpich	Tennessee
Coleman	Johnson	Merriam	Peterson	Ulland, J.
Davies	Keefe, S.	Milton	Schaaf	

So the bill passed and its title was agreed to.

S. 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 be appointed by and shall serve at the pleasure of the appointing authority; providing for the succession of commissioners; limiting the ability of former commissioners and former deputy commissioners to appear before their former agencies; defining position and duties of deputy department heads; standardizing the format and procedures relating to executive orders and reorganization orders; prescribing uses for executive orders; limiting the scope of reorganization orders; eliminating obsolete language; amending Minnesota Statutes 1976, Sections 15.051, Subdivisions 1 and 3; 15.06; 16.01; 16.125; 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, Subdivision 1; 129A.02, Subdivision 2; 144.02; 174.02, Subdivision 1; 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; 362.09, Subdivision 1; 363.04, Subdivision 1; 462A.04, Subdivision 8; and Chapter 144, by adding a section; repealing Minnesota Statutes 1976, Sections 16.13; 121.07; 121.08; 121.10; 121.16, Subdivision 2; 144.03; 144.04; 175.001, Subdivision 4; and 216A.06, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 42 and nays 22, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Luther	Penny	Staples
Benedict	Humphrey	McCutcheon	Perpich	Stokowski
Chenoweth	Jensen	Menning	Peterson	Strand
Chmielewski	Johnson	Merriam	Schaaf	Vega
Coleman	Keefe, S.	Milton	Schmitz	Wegener
Davies	Knoll	Moe	Schrom	Willet
Dieterich	Laufenburger	Nelson	Setzepfandt	
Garty	Lessard	Nichols	Sikorski	
Gunderson	Lewis	Ogdahl	Spear	

Those who voted in the negative were:

Ashbach	Engler	Kleinbaum	Sieloff	Ueland, A.
Bang	Frederick	Olhoft	Sillers	Ulland, J.
Bernhagen	Hughes	Pillsbury	Solon	
Brataas	Keefe, J.	Purfeerst	Stumpf	
Dunn	Kirchner	Renneke	Tennessee	

So the bill passed and its title was agreed to.

S. F. No. 695: A bill for an act relating to the Como Park zoo; requiring 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 1976, Chapter 473, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Garty	Lessard	Olson	Solon
Bang	Gunderson	Lewis	Penny	Spear
Benedict	Hanson	Luther	Perpich	Staples
Bernhagen	Hughes	McCutcheon	Peterson	Stokowski
Brataas	Humphrey	Menning	Pillsbury	Strand
Chenoweth	Jensen	Merriam	Purfeerst	Stumpf
Chmielewski	Johnson	Milton	Schmitz	Tennessee
Coleman	Keefe, J.	Moe	Schrom	Ueland, A.
Davies	Keefe, S.	Nelson	Setzepfandt	Ulland, J.
Dieterich	Kleinbaum	Nichols	Sieloff	Vega
Engler	Knoll	Ogdahl	Sikorski	Wegener
Frederick	Laufenburger	Olhoft	Sillers	

Messrs. Dunn, Renneke, Schaaf, and Willet voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 914: A bill for an act relating to the city of Mankato; providing for the service of the police and fire chiefs.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lewis	Peterson	Staples
Bang	Hanson	Luther	Pillsbury	Stokowski
Benedict	Hughes	McCutcheon	Purfeerst	Stumpf
Bernhagen	Humphrey	Menning	Renneke	Tennessen
Brataas	Jensen	Milton	Schaaf	Ueland, A.
Chenoweth	Johnson	Moe	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Schrom	Vega
Coleman	Keefe, S.	Nichols	Setzepfandt	Wegener
Davies	Kirchner	Ogdahl	Sieloff	Willet
Dieterich	Kleinbaum	Olhoft	Sikorski	
Dunn	Knoll	Olson	Sillers	
Engler	Laufenburger	Penny	Solon	
Frederick	Lessard	Perpich	Spear	

Messrs. Gunderson, Merriam and Strand voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1140: A bill for an act relating to agriculture; food licensing; defining a custom processor and providing for a custom processing permit; amending Minnesota Statutes 1976, Sections 28A.03; 28.04; and 28A.13.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 8, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lessard	Pillsbury	Staples
Bang	Gunderson	Lewis	Purfeerst	Stokowski
Benedict	Hanson	Luther	Renneke	Strand
Bernhagen	Hughes	McCutcheon	Schaaf	Stumpf
Chenoweth	Humphrey	Menning	Schmitz	Tennessen
Chmielewski	Jensen	Moe	Schrom	Vega
Coleman	Johnson	Nelson	Setzepfandt	Wegener
Davies	Keefe, S.	Nichols	Sieloff	Willet
Dieterich	Kirchner	Ogdahl	Sikorski	
Dunn	Kleinbaum	Olhoft	Sillers	
Engler	Knoll	Olson	Solon	
Frederick	Laufenburger	Penny	Spear	

Those who voted in the negative were:

Brataas	Merriam	Perpich	Ueland, A.	Ulland, J.
Keefe, J.	Milton	Peterson		

So the bill passed and its title was agreed to.

S. F. No. 143: A bill for an act relating to crimes and criminals; prohibiting certain acts against railroad employees and railroad property; prescribing penalties; amending Minnesota Statutes 1976, Chapter 609, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lessard	Penny	Solon
Ashbach	Gearty	Lewis	Perpich	Spear
Bang	Gunderson	Luther	Peterson	Staples
Benedict	Hanson	McCutcheon	Pillsbury	Stokowski
Bernhagen	Hughes	Menning	Purfeerst	Strand
Brataas	Humphrey	Merriam	Renneke	Stumpf
Chenoweth	Jensen	Milton	Schaaf	Tennessee
Chmielewski	Johnson	Moe	Schmitz	Ueland, A.
Coleman	Keefe, S.	Nelson	Schrom	Ulland, J.
Davies	Kirchner	Nichols	Setzenfandt	Vega
Dieterich	Kleinbaum	Ogdahl	Sieloff	Wegener
Dunn	Knoll	Olhoft	Sikorski	Willet
Engler	Laufenburger	Olson	Sillers	

Mr. Keefe, J. voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1234: A bill for an act relating to education; authorizing the state board of education to create additional advisory task forces; amending Minnesota Statutes 1976, Section 15.014, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lewis	Peterson	Staples
Ashbach	Hanson	Luther	Pillsbury	Stokowski
Benedict	Hughes	McCutcheon	Purfeerst	Strand
Bernhagen	Humphrey	Menning	Renneke	Stumpf
Brataas	Jensen	Merriam	Schaaf	Tennessee
Chenoweth	Johnson	Milton	Schmitz	Ueland, A.
Chmielewski	Keefe, J.	Moe	Schrom	Ulland, J.
Davies	Keefe, S.	Nelson	Setzenfandt	Vega
Dieterich	Kirchner	Nichols	Sieloff	Wegener
Dunn	Kleinbaum	Ogdahl	Sikorski	Willet
Engler	Knoll	Olhoft	Sillers	
Frederick	Laufenburger	Olson	Solon	
Gearty	Lessard	Penny	Spear	

Mr. Perpich voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 324: A bill for an act relating to drivers licenses; increasing the fee for driver's licenses, and establishing a fee for Minnesota identification cards; providing for uniform application fees; amending Minnesota Statutes 1976, Sections 171.06, Subdivisions 1, 2, and 4; and 171.07, Subdivisions 3, 4, and 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 9, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Luther	Penny	Staples
Bang	Hughes	McCutcheon	Perpich	Stokowski
Benedict	Humphrey	Menning	Peterson	Strand
Chenoweth	Jensen	Merriam	Pillsbury	Stumpf
Chmielewski	Johnson	Milton	Purfeerst	Tennessee
Davies	Keefe, J.	Moe	Schaaf	Ueland, A.
Dieterich	Keefe, S.	Nelson	Schmitz	Ulland, J.
Dunn	Kirchner	Nichols	Setzepfandt	Vega
Engler	Kleinbaum	Ogdahl	Sillers	Wegener
Gearty	Knoll	Olhoft	Solon	Willet
Gunderson	Laufenburger	Olson	Spear	

Those who voted in the negative were:

Ashbach	Brataas	Lessard	Renneke	Sieloff
Bernhagen	Frederick	Lewis	Schrom	

So the bill passed and its title was agreed to.

S. F. No. 1302: A bill for an act relating to transportation; providing for certain permitted advertising signs on federal primary aid highways; amending Minnesota Statutes 1976, Sections 173.03; 173.08; 173.13, Subdivision 1; and 173.16, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 5, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lessard	Olson	Staples
Ashbach	Gearty	Lewis	Peterson	Stokowski
Bang	Gunderson	Luther	Pillsbury	Strand
Benedict	Hanson	McCutcheon	Renneke	Stumpf
Bernhagen	Hughes	Menning	Schaaf	Tennessee
Brataas	Humphrey	Merriam	Schmitz	Ueland, A.
Chenoweth	Jensen	Milton	Schrom	Ulland, J.
Chmielewski	Johnson	Moe	Setzepfandt	Vega
Davies	Keefe, S.	Nelson	Sieloff	Wegener
Dieterich	Kirchner	Nichols	Sillers	Willet
Dunn	Kleinbaum	Ogdahl	Solon	
Engler	Knoll	Olhoft	Spear	

Those who voted in the negative were:

Keefe, J.	Laufenburger	Penny	Perpich	Purfeerst
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So the bill passed and its title was agreed to.

S. F. No. 1208: A bill for an act relating to elections; providing that polling places be accessible to the elderly and physically handicapped; providing assistance to voters unable to enter the polling place; amending Minnesota Statutes 1976, Sections 204A.09, by adding a subdivision; and 204A.34, Subdivision 2; repealing Minnesota Statutes 1976, Section 204A.11, Subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lewis	Perpich	Spear
Ashbach	Hanson	Luther	Peterson	Staples
Bang	Hughes	McCutcheon	Pillsbury	Stokowski
Benedict	Humphrey	Menning	Purfeerst	Strand
Bernhagen	Jensen	Merriam	Renneke	Stumpf
Brataas	Johnson	Milton	Schaaf	Tennessee
Chenoweth	Keefe, J.	Moe	Schmitz	Ueland, A.
Chmielewski	Keefe, S.	Nelson	Schrom	Ulland, J.
Davies	Kirchner	Nichols	Setzepfandt	Vega
Dieterich	Kleinbaum	Ogdahl	Sieloff	Wegener
Engler	Knoll	Olhoff	Sikorski	Willet
Frederick	Laufenburger	Olson	Sillers	
Gearty	Lessard	Penny	Solon	

Mr. Dunn voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 579: A bill for an act relating to taxation; changing computation of certain income tax credits for contributions; providing that certain income tax credits for contributions may be carried forward; amending Minnesota Statutes 1976, Section 290.21, Subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 13, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Kleinbaum	Ogdahl	Sillers
Bang	Gunderson	Laufenburger	Olhoff	Solon
Benedict	Hanson	Lessard	Olson	Spear
Bernhagen	Hughes	Lewis	Pillsbury	Staples
Brataas	Humphrey	Luther	Renneke	Stokowski
Chenoweth	Jensen	McCutcheon	Schaaf	Ueland, A.
Chmielewski	Johnson	Menning	Schmitz	Ulland, J.
Davies	Keefe, J.	Milton	Schrom	Vega
Engler	Keefe, S.	Moe	Sieloff	Wegener
Frederick	Kirchner	Nichols	Sikorski	Willet

Those who voted in the negative were:

Anderson	Merriam	Perpich	Setzepfandt	Stumpf
Dieterich	Nelson	Peterson	Strand	Tennessee
Dunn	Penny	Purfeerst		

So the bill passed and its title was agreed to.

S. F. No. 928: A bill for an act relating to taxation; altering the requirements for claiming withholding exemptions; amending Minnesota Statutes 1976, Section 290.92, Subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lessard	Penny	Solon
Ashbach	Gunderson	Lewis	Perpich	Spear
Bang	Hanson	Luther	Peterson	Staples
Benedict	Hughes	McCutcheon	Pillsbury	Stokowski
Bernhagen	Humphrey	Menning	Purfeerst	Strand
Brataas	Jensen	Merriam	Renneke	Stumpf
Chenoweth	Johnson	Milton	Schaaf	Tennessee
Chmielewski	Keefe, J.	Moe	Schmitz	Ueland, A.
Davies	Keefe, S.	Nelson	Schrom	Ulland, J.
Dieterich	Kirchner	Nichols	Setzepfandt	Vega
Dunn	Kleinbaum	Ogdahl	Sieloff	Wegener
Engler	Knoll	Olhoft	Sikorski	Willet
Frederick	Laufenburger	Olson	Sillers	

So the bill passed and its title was agreed to.

S. F. No. 767: A bill for an act relating to mortgages; authorizing appointment of a receiver upon foreclosure and upon a showing that a mortgagor has breached certain covenants in the mortgage; amending Minnesota Statutes 1976, Sections 559.17; and 576.01.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lessard	Penny	Solon
Ashbach	Gunderson	Lewis	Perpich	Spear
Bang	Hanson	Luther	Peterson	Staples
Benedict	Hughes	McCutcheon	Pillsbury	Stokowski
Bernhagen	Humphrey	Menning	Purfeerst	Strand
Brataas	Jensen	Merriam	Renneke	Stumpf
Chenoweth	Johnson	Milton	Schaaf	Tennessee
Chmielewski	Keefe, J.	Moe	Schmitz	Ueland, A.
Davies	Keefe, S.	Nelson	Schrom	Ulland, J.
Dieterich	Kirchner	Nichols	Setzepfandt	Vega
Dunn	Kleinbaum	Ogdahl	Sieloff	Wegener
Engler	Knoll	Olhoft	Sikorski	Willet
Frederick	Laufenburger	Olson	Sillers	

So the bill passed and its title was agreed to.

S. F. No. 1116: A bill for an act relating to plats; authorizing plats to be prepared by photographic process in counties having microfilm capabilities; amending Minnesota Statutes 1976, Sections 505.08, by adding a subdivision; 505.1792, Subdivision 2; and 508.47, Subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Olson	Sillers
Ashbach	Gearty	Lessard	Penny	Solon
Bang	Gunderson	Lewis	Perpich	Spear
Benedict	Hanson	Luther	Peterson	Staples
Bernhagen	Hughes	McCutcheon	Pillsbury	Stokowski
Brataas	Humphrey	Menning	Purfeerst	Strand
Chenoweth	Jensen	Merriam	Renneke	Stumpf
Chmielewski	Johnson	Milton	Schaaf	Tennessee
Coleman	Keefe, J.	Moe	Schmitz	Ueland, A.
Davies	Keefe, S.	Nelson	Schrom	Ulland, J.
Dieterich	Kirchner	Nichols	Setzepfandt	Vega
Dunn	Kleinbaum	Ogdahl	Sieloff	Wegener
Engler	Knoll	Olhoft	Sikorski	Willet

So the bill passed and its title was agreed to.

S. F. No. 1166: A bill for an act relating to administrative procedures; providing for water resource and conservation hearings to be held in accordance with the administrative procedure act; amending Minnesota Statutes 1976, Sections 105.44, Subdivisions 3, 5, 6, 7 and 8; 105.45; and 105.461; repealing Minnesota Statutes 1976, Section 105.47.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Olson	Sillers
Ashbach	Gearty	Lessard	Penny	Solon
Bang	Gunderson	Lewis	Perpich	Spear
Benedict	Hanson	Luther	Peterson	Staples
Bernhagen	Hughes	McCutcheon	Pillsbury	Stokowski
Brataas	Humphrey	Menning	Purfeerst	Strand
Chenoweth	Jensen	Merriam	Renneke	Stumpf
Chmielewski	Johnson	Milton	Schaaf	Tennessee
Coleman	Keefe, J.	Moe	Schmitz	Ueland, A.
Davies	Keefe, S.	Nelson	Schrom	Ulland, J.
Dieterich	Kirchner	Nichols	Setzepfandt	Vega
Dunn	Kleinbaum	Ogdahl	Sieloff	Wegener
Engler	Knoll	Olhoft	Sikorski	Willet

So the bill passed and its title was agreed to.

S. F. No. 1390: A bill for an act relating to public welfare; local mental health programs; authorizing counties bordering on economic development regions to obtain mental health services from adjacent regions; amending Minnesota Statutes 1976, Chapter 245, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Penny	Solon
Ashbach	Gearty	Lessard	Perpich	Spear
Bang	Gunderson	Lewis	Peterson	Staples
Benedict	Hanson	Luther	Pillsbury	Stokowski
Bernhagen	Hughes	McCutcheon	Purfeerst	Strand
Brataas	Humphrey	Menning	Renneke	Stumpf
Chenoweth	Jensen	Merriam	Schaaf	Tennessee
Chmielewski	Johnson	Moe	Schmitz	Ueland, A.
Coleman	Keefe, J.	Nelson	Schrom	Ulland, J.
Davies	Keefe, S.	Nichols	Setzepfandt	Vega
Dieterich	Kirchner	Ogdahl	Sieloff	Wegener
Dunn	Kleinbaum	Olhoft	Sikorski	Willet
Engler	Knoll	Olson	Sillers	

So the bill passed and its title was agreed to.

S. F. No. 830: A bill for an act relating to the city of Duluth; authorizing the imposition of an additional tax on certain sales of food and drink; amending Laws 1973, Chapter 461, Section 1.

Mr. Merriam moved that S. F. No. 830, No. 19 on the Calendar, be stricken and placed on General Orders. The motion did not prevail.

S. F. No. 830 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 25, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Perpich	Stokowski
Bang	Gunderson	Lewis	Purfeerst	Ueland, A.
Benedict	Hanson	Menning	Renneke	Ulland, J.
Brataas	Humphrey	Milton	Schmitz	Vega
Chmielewski	Keefe, S.	Moe	Schrom	Wegener
Coleman	Kirchner	Nelson	Sieloff	
Dieterich	Kleinbaum	Nichols	Solon	
Engler	Knutson	Ogdahl	Spear	
Frederick	Laufenburger	Olson	Staples	

Those who voted in the negative were:

Anderson	Hughes	Luther	Peterson	Sillers
Bernhagen	Jensen	McCutcheon	Pillsbury	Strand
Chenoweth	Johnson	Merriam	Schaaf	Stumpf
Davies	Keefe, J.	Olhoft	Setzepfandt	Tennessee
Dunn	Knoll	Penny	Sikorski	Willet

So the bill passed and its title was agreed to.

S. F. No. 603: A bill for an act relating to the public service commission; confining appeals from its decisions to the record; allowing the commission to appeal adverse decisions of the district court to the supreme court; amending Minnesota Statutes 1976, Section 216.25.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lewis	Perpich	Spear
Benedict	Hanson	Luther	Peterson	Staples
Bernhagen	Hughes	McCutcheon	Pillsbury	Stokowski
Brataas	Humphrey	Menning	Purfeerst	Strand
Chenoweth	Jensen	Merriam	Renneke	Stumpf
Chmielewski	Johnson	Milton	Schaaf	Tennessee
Coleman	Keefe, J.	Moe	Schmitz	Ueland, A.
Davies	Keefe, S.	Nelson	Schrom	Ulland, J.
Dieterich	Kirchner	Nichols	Setzepfandt	Vega
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoft	Sikorski	

Mr. Lessard voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 713: A bill for an act relating to the city of Fridley; membership of new police officers in the public employees retirement association; benefits and contributions for remaining members of the Fridley police pension association.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lessard	Perpich	Staples
Ashbach	Gunderson	Lewis	Peterson	Stokowski
Bang	Hanson	Luther	Pillsbury	Strand
Benedict	Hughes	McCutcheon	Purfeerst	Stumpf
Bernhagen	Humphrey	Menning	Renneke	Tennessee
Brataas	Jensen	Merriam	Schaaf	Ueland, A.
Chenoweth	Johnson	Milton	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Moe	Schrom	Vega
Coleman	Keefe, S.	Nelson	Setzepfandt	Wegener
Davies	Kirchner	Nichols	Sieloff	Willet
Dieterich	Kleinbaum	Ogdahl	Sikorski	
Dunn	Knoll	Olhoft	Sillers	
Engler	Knutson	Olson	Solon	
Frederick	Laufenburger	Penny	Spear	

So the bill passed and its title was agreed to.

S. F. No. 787: A bill for an act relating to shade tree disease; providing for a study by the commissioner of agriculture of the need for regulation of tree disease and removal specialists; requiring a report to the legislature.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 10, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Kleinbaum	Olhoff	Solon
Bang	Frederick	Knoll	Olson	Spear
Benedict	Gearty	Laufenburger	Penny	Staples
Bernhagen	Hanson	Lessard	Pillsbury	Stokowski
Brataas	Hughes	Lewis	Purfeerst	Stumpf
Chenoweth	Humphrey	Luther	Renneke	Tennessee
Chmielewski	Jensen	McCutcheon	Schaaf	Ueland, A.
Coleman	Johnson	Menning	Schmitz	Ulland, J.
Davies	Keefe, J.	Moe	Setzepfandt	Vega
Dieterich	Keefe, S.	Nelson	Sieloff	Wegener
Dunn	Kirchner	Ogdahl	Sikorski	Willet

Those who voted in the negative were:

Ashbach	Knutson	Nichols	Peterson	Sillers
Gunderson	Merriam	Perpich	Schrom	Strand

So the bill passed and its title was agreed to.

S. F. No. 1258: A bill for an act relating to the uniform commercial code; providing for the appropriation of the proceeds of bulk transfers; providing for the payment of creditors; amending Minnesota Statutes 1976, Sections 336.6-107; 336.6-108; and 336.6-109; and Chapter 336 by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 66 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lessard	Perpich	Staples
Ashbach	Gunderson	Lewis	Peterson	Stokowski
Bang	Hanson	Luther	Pillsbury	Strand
Benedict	Hughes	McCutcheon	Purfeerst	Stumpf
Bernhagen	Humphrey	Menning	Renneke	Tennessee
Brataas	Jensen	Merriam	Schaaf	Ueland, A.
Chenoweth	Johnson	Milton	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Moe	Schrom	Vega
Coleman	Keefe, S.	Nelson	Setzepfandt	Wegener
Davies	Kirchner	Nichols	Sieloff	Willet
Dieterich	Kleinbaum	Ogdahl	Sikorski	
Dunn	Knoll	Olhoff	Sillers	
Engler	Knutson	Olson	Solon	
Frederick	Laufenburger	Penny	Spear	

So the bill passed and its title was agreed to.

S. F. No. 798: A bill for an act relating to worker's compensation; providing that persons assisting law enforcement officials may be eligible for benefits; amending Minnesota Statutes 1976, Section 176.011, Subdivision 9.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Penny	Solon
Ashbach	Gunderson	Lessard	Perpich	Spear
Bang	Hanson	Lewis	Peterson	Staples
Benedict	Hughes	McCutcheon	Pillsbury	Stokowski
Bernhagen	Humphrey	Menning	Purfeerst	Strand
Brataas	Jensen	Merriam	Renneke	Stumpf
Chenoweth	Johnson	Milton	Schaaf	Tennessee
Chmielewski	Keefe, J.	Moe	Schmitz	Ueland, A.
Coleman	Keefe, S.	Nelson	Schrom	Ulland, J.
Davies	Kirchner	Nichols	Setzepfandt	Vega
Dunn	Kleinbaum	Ogdahl	Sieloff	Wegener
Engler	Knoll	Ohlhoft	Sikorski	Willet
Frederick	Knutson	Olson	Sillers	

Mr. Luther voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1120: A bill for an act relating to public waters; their classification and drainage; providing for venue of certain actions involving the commissioner of natural resources; amending Minnesota Statutes 1976, Chapter 105, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Olson	Sillers
Ashbach	Gunderson	Lessard	Penny	Solon
Bang	Hanson	Lewis	Perpich	Spear
Benedict	Hughes	Luther	Peterson	Staples
Bernhagen	Humphrey	McCutcheon	Pillsbury	Stokowski
Brataas	Jensen	Menning	Purfeerst	Strand
Chenoweth	Johnson	Merriam	Renneke	Stumpf
Chmielewski	Keefe, J.	Milton	Schaaf	Tennessee
Coleman	Keefe, S.	Moe	Schmitz	Ueland, A.
Davies	Kirchner	Nelson	Schrom	Ulland, J.
Dunn	Kleinbaum	Nichols	Setzepfandt	Vega
Engler	Knoll	Ogdahl	Sieloff	Wegener
Frederick	Knutson	Ohlhoft	Sikorski	Willet

So the bill passed and its title was agreed to.

S. F. No. 977: A bill for an act relating to marriage; requiring certain information to be included on an application for a marriage license; amending Minnesota Statutes 1976, Sections 517.08, Subdivision 1; and 517.10.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Olson	Sillers
Ashbach	Gunderson	Lessard	Penny	Solon
Bang	Hanson	Lewis	Perpich	Spear
Benedict	Hughes	Luther	Peterson	Staples
Bernhagen	Humphrey	McCutcheon	Pillsbury	Stokowski
Brataas	Jensen	Menning	Purfeerst	Strand
Chenoweth	Johnson	Merriam	Renneke	Stumpf
Chmielewski	Keefe, J.	Milton	Schaaf	Tennessee
Coleman	Keefe, S.	Moe	Schmitz	Ueland, A.
Davies	Kirchner	Nelson	Schrom	Ulland, J.
Dunn	Kleinbaum	Nichols	Setzepfandt	Vega
Engler	Knoll	Ogdahl	Sieloff	Wegener
Frederick	Knutson	Olhoft	Sikorski	Willet

So the bill passed and its title was agreed to.

S. F. No. 1165: A bill for an act relating to natural resources; state parks; requiring compatible uses of private lands within state parks; providing the commissioner of natural resources with authority to enforce compatible use standards; providing for the acquisition of private land within parks; amending Minnesota Statutes 1976, Chapter 85, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 34 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Knoll	Peterson	Stokowski
Benedict	Hanson	Luther	Pillsbury	Strand
Chenoweth	Hughes	McCutcheon	Schaaf	Stumpf
Chmielewski	Humphrey	Merriam	Sikorski	Ulland, J.
Coleman	Keefe, S.	Milton	Solon	Vega
Dieterich	Kirchner	Nelson	Spear	Willet
Dunn	Kleinbaum	Olhoft	Staples	

Those who voted in the negative were:

Ashbach	Gunderson	Lewis	Perpich	Sillers
Bang	Jensen	Menning	Purfeerst	Tennessee
Bernhagen	Johnson	Moe	Renneke	Ueland, A.
Brataas	Keefe, J.	Nichols	Schmitz	Wegener
Davies	Knutson	Ogdahl	Schrom	
Engler	Laufenburger	Olson	Setzepfandt	
Frederick	Lessard	Penny	Sieloff	

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Consent Calendar. The motion prevailed.

CONSENT CALENDAR

S. F. No. 753: A bill for an act relating to motor vehicles;

licensing and taxation; providing for biennial payment of the tax assessed on certain trailers; dimensional specifications for trailer number plates; amending Minnesota Statutes 1976, Sections 168.013, Subdivision 1d; and 168.12.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lewis	Peterson	Staples
Bang	Gunderson	Luther	Pillsbury	Stokowski
Benedict	Hanson	McCutcheon	Purfeerst	Strand
Bernhagen	Hughes	Menning	Renneke	Stumpf
Brataas	Humphrey	Merriam	Schaaf	Tennessee
Chenoweth	Jensen	Moe	Schmitz	Ueland, A.
Chmielewski	Johnson	Nelson	Schrom	Ueland, J.
Coleman	Keefe, J.	Nichols	Setzpfandt	Vega
Davies	Keefe, S.	Ogdahl	Sieloff	Willet
Dieterich	Kirchner	Olhoft	Sikorski	
Dunn	Kleinbaum	Olson	Sillers	
Engler	Knutson	Penny	Solon	
Frederick	Laufenburger	Perpich	Spear	

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to 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.

CALL OF THE SENATE

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

Bang	Gunderson	Merriam	Peterson	Strand
Benedict	Hughes	Menning	Schaaf	Stumpf
Chmielewski	Johnson	Milton	Schmitz	Tennessee
Coleman	Keefe, S.	Nelson	Schrom	Ueland, J.
Davies	Kirchner	Ogdahl	Setzpfandt	Vega
Dunn	Knoll	Olhoft	Sieloff	Wegener
Engler	Luther	Olson	Spear	Willet
Gearty	McCutcheon	Penny	Staples	

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to 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 Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 930, 403, 1290, 1291, 583, 442, 101, 734, 683, 797, 912, 1338, 1086, 1068, 823, 1423, 962, 1362, 1029, 1293, 627, 1349 and H. F. Nos. 218, 54 and 946 which the committee recommends to pass.

S. F. No. 1135, which the committee recommends to pass with the following amendments offered by Mr. Sieloff:

Mr. Sieloff moved to amend S. F. No. 1135 as follows:

Page 2, line 14, after "satisfactory." insert "The"

Page 2, line 16, after the stricken word "void" insert "*two days after dispatch by the commissioner by certified or registered mail of notice of such suspension, addressed to the last known address of the motor carrier,*"

Mr. Sieloff then moved to amend S. F. No. 1135 as follows:

Page 2, line 18, strike "The"

Page 2, strike lines 19 to 21

Page 2, line 22, delete the new language.

S. F. No. 581, which the committee recommends to pass with the following amendment offered by Mr. Kleinbaum:

Page 4, line 27, strike "licenses or"

S. F. No. 808, which the committee recommends to pass with the following amendment offered by Mr. Anderson:

Page 1, line 10, after the period insert "Subdivision 1."

Page 1, line 11, after "time" insert "*elementary or secondary school*"

Page 1, line 12, delete "15 years" and insert "*at least ten but no more than 20 years of allowable service and who has not attained the age of 55 years or over*"

Page 1, line 13, delete "or more"

Page 1, line 13, after "absence" insert "*pursuant to this section*"

Page 1, line 14, after "absence" insert "*pursuant to this section*"

Page 1, line 15, after "teacher" insert "*and may be granted only once*"

Page 1, line 16, delete "Sec. 2" and insert "Subd. 2"

Page 1, line 16, after "absence" insert "*pursuant to this section*"

Page 1, line 17, delete "his" and insert "a"

Page 1, line 17, after "position" insert "for which he is licensed"

Page 2, line 2, delete "March" and insert "February"

Page 2, line 3, after the period insert

"Subd. 3."

Page 2, line 5, strike "act" and insert "section"

Page 2, after line 8, insert:

"Subd. 4. The years spent by a teacher on an extended leave of absence pursuant to this section shall not be included in the determination of his salary upon his return to teaching in the district. The credits earned by a teacher on an extended leave of absence pursuant to this section shall not be included in the determination of his salary upon his return to teaching in the district for a period equal to the time of the extended leave of absence."

Renumber section 3 as section 2

Page 2, line 12, delete "sections 1 and 2" and insert "section 1"

Page 2, line 32, after "leave" insert "of absence pursuant to section 1 of this act"

Page 3, line 9, after the period insert *"The provisions of this section shall not apply to a member who is placed on unrequested leave of absence or whose contract is terminated pursuant to section 125.12 while he is on an extended leave of absence pursuant to section 1 of this act. A teacher who pays employee contributions and receives allowable service credit in the fund pursuant to this section may not pay employee contributions or receive allowable service credit for the same fiscal year in any other Minnesota public employee pension plan, except a volunteer firefighters' relief association governed by sections 69.771 to 69.776."*

Page 3, delete lines 10 to 18 and insert:

"Sec. 3. Minnesota Statutes 1976, Chapter 354A, is amended by adding a section to read:

[354A.091] [TEACHERS ON EXTENDED LEAVE.] *Notwithstanding any provision of chapter 354A or the bylaws of an association relating to salary for contribution purposes or accrual of service credit to the contrary, an elementary or secondary school teacher in the public schools of a city of the first class who is granted an extended leave of absence pursuant to section 1 of this act may receive allowable service credit toward annuities and other benefits under chapter 354A for each year of his leave by paying into the fund employee contributions during the period of the leave which shall not exceed five years. The employing district shall pay employer contributions into the fund for each year for which a member who is on extended leave pays employee contributions into the fund. The employee and employer contributions shall be based upon the rates of contribution prescribed by section 354A.12, for the salary received during the year im-*

mediately preceding the leave. Payments for the years for which a member is receiving service credit while on extended leave shall be made on or before June 30 of each fiscal year for which service credit is received. A member on extended leave who pays employee contributions into the fund shall retain membership in the association for as long as he continues to pay employee contributions, under the same terms and conditions as if he had continued to teach in the district. A member on extended leave of absence pursuant to section 1 of this act who does not pay employee contributions into the fund in any year shall be deemed to cease to render teaching services beginning in that year for purposes of chapter 354A and the bylaws of the retirement association. If a member who paid employee contributions into the fund for five years while on extended leave does not resume teaching in the sixth school year after the beginning of his extended leave, he shall be deemed to cease to render teaching services beginning in that year for purposes of chapter 354A and the bylaws of the retirement association. The provisions of this section shall not apply to a teacher who is discharged pursuant to section 125.17 while he is on an extended leave of absence pursuant to section 1 of this act. A teacher who pays employee contributions and receives allowable service credit in the fund pursuant to this section may not pay employee contributions or receive allowable service credit for the same fiscal year in any other Minnesota public employee pension plan, except a volunteer firefighters' relief association governed by sections 69.771 to 69.776."

S. F. No. 1309, which the committee recommends to pass with the following amendment offered by Mr. Keefe, J.:

Page 8, line 25, strike "four" and insert "ten"

S. F. No. 645, which the committee recommends to pass with the following amendment offered by Mr. Merriam:

Page 13, line 20, before the period, insert ", and shall be accessible to the public pursuant to section 15.17, subdivision 4"

S. F. No. 646, which the committee recommends to pass with the following amendment offered by Mr. Olson:

Page 1, line 14, strike "county" and insert "counties"

Mr. Coleman moved to adopt the report of the Committee of the Whole, as kept by the Secretary.

Mr. Merriam requested that the report on S. F. No. 1029 be divided out.

Mr. Coleman moved to adopt the balance of the report of the Committee of the Whole. The motion prevailed.

Mr. Coleman moved to adopt the report on S. F. No. 1029. The motion did not prevail.

MOTIONS AND RESOLUTIONS—CONTINUED RECONSIDERATION

Mr. Johnson moved that the vote whereby S. F. No. 753 was

passed by the Senate on May 2, 1977, be now reconsidered. The motion prevailed.

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. McCutcheon from the Committee on Taxes and Tax Laws, to which was re-referred

S. F. No. 896: A bill for an act relating to the establishment of a power plant site and transmission line route selection authority in the environmental quality board; eliminating the corridor designation process; clarifying certain procedures; authorizing certain options concerning the amount of land to be condemned and annual payments for owners of land condemned for routes or sites; requiring the board and the office of hearing examiners to adopt emergency and permanent rules; authorizing the board to revoke or suspend permits; specifying amounts for route application fees; providing for a property tax credit for land crossed by high voltage transmission lines; providing penalties; amending Minnesota Statutes 1976, Sections 116C.52, Subdivisions 3 and 7, and by adding subdivisions; 116C.53; 116C.54; 116C.55, Subdivisions 2 and 3; 116C.57; 116C.58; 116C.59, Subdivision 1, and by adding subdivisions; 116C.61, Subdivisions 2 and 3; 116C.62; 116C.63; 116C.64; 116C.65; 116C.66; 116C.67; 116C.68; 116C.69; 273.42; 276.04; and Chapters 116C, by adding a section; and 273, by adding a section; repealing Minnesota Statutes 1976, Sections 116C.55, Subdivision 1; and 116C.56.

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

Page 17, line 14, after "proceedings" insert "or voluntary purchase"

Page 17, line 20, strike "petitioner" and insert "utility"

Page 17, after line 30, insert:

"Subd. 5. A utility shall notify by certified mail each person who has transferred any interest in real property to the utility after July 1, 1974, but prior to the effective date of this act, for the purpose of a site or route that he may elect in writing within 90 days after receipt of notice to require the utility to acquire any remaining contiguous parcel of land pursuant to section 17 or to return any payment to the utility and require it to make installment payments pursuant to section 17."

Page 24, strike lines 21 to 32 and insert:

"tax to be paid on land subject to property taxation over which runs a high voltage transmission line with a design of 200 kilo-

volts or more shall be reduced by an amount equal to the credit for which it is eligible pursuant to subdivision 2.

Subd. 2. [COMPUTATION.] The credit due against the property tax on each parcel lying under a particular line shall be determined by multiplying a fraction, the numerator of which is the length of transmission line with a design of 200 kilovolts or more which runs over that parcel and the denominator of which is the total length of that particular line running over all property within the county, by that portion of the transmission and distribution line tax which is provided in section 2 for that purpose. Where a right of way width is shared by more than one property owner, the numerator shall be adjusted by multiplying the length of line on the parcel by the proportion of the total width on the parcel owned by each property owner. The amount of credit for which the property qualifies pursuant to this subdivision shall not exceed 25 percent of the total gross tax on the property prior to deduction of the state paid agricultural credit and the state paid homestead credit."

Page 25, strike lines 1 to 4

Page 25, line 22, strike "subject to property tax"

Page 26, line 30, strike "1" and insert "25"

Page 28, line 2, strike "It shall"

Page 28, strike lines 3 and 4

Page 28, line 5, strike "section 117.105."

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

SECOND READING OF SENATE BILLS

S. F. No. 896 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

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.

CALL OF THE SENATE

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

Anderson	Gunderson	Lewis	Penny	Strand
Benedict	Hanson	Luther	Perpich	Stumpf
Borden	Hughes	Menning	Purfeerst	Tennessee
Chenoweth	Humphrey	Merriam	Schaaf	Ueland, A.
Chmielewski	Keefe, S.	Milton	Schmitz	Ulland, J.
Coleman	Kirchner	Moe	Sikorski	Vega
Davies	Knoll	Nelson	Spear	Wegener
Gearty	Laufenburger	Nichols	Staples	Willet

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

Remaining on the Order of Motions and Resolutions, Mr. Coleman moved to revert to 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 with the exception of S. F. No. 958 be now adopted. The motion prevailed.

Mr. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 90: A bill for an act relating to intoxicating liquor; authorizing cities to issue additional on-sale licenses by referendum; amending Minnesota Statutes 1976, Section 340.11, Subdivision 18.

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

Mr. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 337: A bill for an act relating to public utilities; customers service option on electric service in certain instances; amending Minnesota Statutes 1976, Section 216B.40; and Chapter 216B, by adding a section.

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

Mr. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 882: A bill for an act relating to commerce; providing for disclosure of mileage traveled by motor vehicles; amending Minnesota Statutes 1976, Sections 168A.04, Subdivision 1; 168A.05, Subdivision 3; 168A.10, Subdivision 1; and 168A.11, Subdivisions 1 and 3.

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

Mr. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 531: A bill for an act relating to banks; permitting banks to take second mortgages in federal disaster areas; amending Minnesota Statutes 1976, Section 48.19, Subdivision 1.

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

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 146: A bill for an act relating to cities of the first class; establishing procedures for refunds of certain special assessments; amending Minnesota Statutes 1976, Section 430.07.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 502: A bill for an act relating to Hennepin county; authorizing compensation for Hennepin county park reserve district commissioners and Hennepin county library board members.

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

Page 1, line 11, strike "Section" and insert "Sections"

Page 1, line 11, after "398.05," insert "134.10,"

Page 1, line 14, after "day" strike "and" and insert a period

Page 1, line 15, strike "shall" and insert "may in addition"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 979: A bill for an act relating to state lands; authorizing the conveyance by the state of certain lands in St. Louis county.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 465: A bill for an act relating to redevelopment; providing for membership on regional development commissions; amending Minnesota Statutes 1976, Section 462.388, Subdivision 1.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 425: A bill for an act relating to municipalities; authorizing appropriations for historical work; amending Minnesota Statutes 1976, Section 471.93.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 62: A bill for an act relating to towns; annual audit report; eliminating the requirement that a copy of the report be furnished to the state auditor; amending Minnesota Statutes 1976, Section 366.22.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

S. F. No. 958: A bill for an act relating to Ramsey county and the cities of Arden Hills, Roseville, Saint Paul and Shoreview; providing for construction of necessary highway improvements; apportioning costs; prescribing certain limitations; amending Laws 1974, Chapter 435, Section 1.0209, as amended.

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

Page 2, reinstate the stricken language in line 32

Page 3, reinstate the stricken language in lines 1 to 7

Page 3, line 23, strike "*December 31*" and insert "*September 7*"

Page 3, line 23, strike "*The governing bodies of*"

Page 3, strike lines 24 to 31, and insert "*No county turnback funds shall be disbursed until a plan is approved by the department of transportation.*"

Page 4, line 5, strike "*bodies*" and insert "*body*"

Page 4, line 5, strike "*the cities of Arden*"

Page 4, line 6, strike "*Hills, Roseville and Shoreview and of*"

Amend the title as follows:

Page 1, line 2, strike "*cities of Arden*"

Page 1, line 3, strike "*Hills, Roseville, Saint Paul and Shoreview*" and insert "*city of St. Paul*"

And when so amended the bill do pass. Mr. Purfeerst questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

APPOINTMENTS

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

S. F. No. 1416, pursuant to the request of the Senate:

Messrs. Lewis, Perpich, Milton, Moe, and Kirchner.

H. F. No. 1510, pursuant to the request of the House:

Messrs. Moe, Tennesen, Stumpf, Ogdahl, and Keefe, J.

S. F. No. 32, pursuant to the request of the Senate:

Messrs. Humphrey; Willet; Keefe, S; Mrs. Staples, and Mr. Dunn.

S. F. No. 1034, pursuant to the request of the Senate:

Messrs. Solon, Setzepfandt and Dunn.

Mr. Coleman moved that the foregoing appointments be approved. The motion prevailed. Report adopted.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred

S. F. Nos. 1070, 1339, 1249, 1065, 441, 330, 559, 347, 544, 157, 158, 1489, 1490, 1, 556, 1334, 784, 1106, 65, and H. F. Nos. 107, 140, 922, 920, 105, 439, makes the following report:

That S. F. Nos. 1070, 1339, 1249, 441, 330, 559, 347, 544, 157, 158, 1489, 1490, 1, 556, 784, 1106, 65 and H. F. Nos. 140, 922, 439 and 920 be placed on the General Orders Calendar in the order indicated.

That S. F. No. 1065 and H. F. No. 105 be retained in the subcommittee.

That H. F. No. 107 be placed on the Consent Calendar.

That S. F. No. 1334 be re-referred to the Committee on Finance.

That there were no other bills before the subcommittee on which floor action was requested. Report adopted.

Mr. Tennesen questioned whether the report of the Bill Scheduling Subcommittee as to S. F. No. 1334 was in order.

The President ruled that the report was in order.

Mr. Tennesen appealed the decision of the President.

Mr. Tennesen moved to lay the appeal on the table.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 51 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Lessard	Purfeerst	Stumpf
Ashbach	Gunderson	Luther	Schaaf	Tennesen
Bang	Hanson	Menning	Schmitz	Ueland, A.
Benedict	Hughes	Merriam	Schrom	Ulland, J.
Bernhagen	Humphrey	Milton	Setzepfandt	Vega
Borden	Jensen	Moe	Sieloff	Wegener
Bråtaas	Keefe, S.	Nelson	Sikorski	Willet
Chenoweth	Kirchner	Nichols	Sillers	
Chmielewski	Kleinbaum	Ogdahl	Spear	
Coleman	Knoll	Penny	Staples	
Davies	Laufenburger	Perpich	Strand	

Messrs. Dieterich, Gearty and Johnson voted in the negative.

The motion prevailed.

SECOND READING OF HOUSE BILLS

H. F. Nos. 146, 502, 979, 465, 425 and 62 were read the second time.

H. F. Nos. 90, 337, 882 and 531, were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1350 a Special Order to be heard immediately.

S. F. No. 1350: A bill for an act relating to nursing assistant training; providing for a report to the legislature by the state board of health; delaying implementation of certain training requirements; amending Minnesota Statutes 1976, Section 144A.61, Subdivision 6.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Penny	Spear
Ashbach	Frederick	Laufenburger	Perpich	Staples
Bang	Gearty	Lessard	Purfeerst	Strand
Benedict	Gunderson	Lewis	Renneke	Stumpf
Bernhagen	Hanson	Luther	Schmitz	Ueland, A.
Brataas	Hughes	Menning	Schrom	Ulland, J.
Chmielewski	Humphrey	Merriam	Setzepfandt	Vega
Coleman	Johnson	Milton	Sieloff	Wegener
Davies	Keefe, S.	Moe	Sikorski	Willet
Dieterich	Kirchner	Nelson	Sillers	
Dunn	Kleinbaum	Nichols	Solon	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1467 a Special Order to be heard immediately.

S. F. No. 1467: A bill for act relating to the organization and operation of state government; appropriating money for the general administrative and judicial expenses of state government and limiting the use thereof; providing for the transfer of certain moneys in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; amending Minnesota Statutes 1976, Sections 10.30; 16A.095, Subdivision 2; 16A.10, Subdivisions 1 and 2; 16A.11, Subdivisions 2 and 3; 43.09, Subdivision 2; 43.31; 98.46, by adding a subdivision; 168.33, Subdivisions 2 and 7; 176.602; 183.545, Subdivisions 1, 3 and 4; 183.57, Subdivision 2; 186.04;

260.311, Subdivision 2; 268.06, Subdivision 25; 296.06, Subdivision 2; 296.12, Subdivision 1; 326.241, Subdivision 3; 362.125; 363.14, by adding a subdivision; 462.389, Subdivision 4; Chapter 16A, by adding a section; Laws 1971, Chapter 121, Section 2, as amended; and Laws 1976, Chapter 260, Section 3; repealing Minnesota Statutes 1976, Sections 15.61, Subdivision 3; 16.173; 16A.095, Subdivision 1; 16A.12 and 176.603.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Olson	Staples
Benedict	Gearty	Lessard	Penny	Stokowski
Bernhagen	Hanson	Lewis	Peterson	Strand
Borden	Hughes	Luther	Purfeerst	Stumpf
Brataas	Humphrey	McCutcheon	Renneke	Ueland, A.
Chenoweth	Jensen	Menning	Schmitz	Ulland, J.
Chmielewski	Johnson	Merriam	Schrom	Vega
Coleman	Keefe, J.	Milton	Setzepfandt	Wegener
Davis	Keefe, S.	Nelson	Sikorski	Willet
Dieterich	Kirchner	Nichols	Sillers	
Dunn	Kleinbaum	Ogdahl	Solon	
Engler	Knoll	Olhoft	Spear	

Messrs. Knutson and Sieloff voted in the negative.

So the bill passed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Reports of Committees.

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. 550 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
550	481				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 550 be amended as follows:

Strike everything after the enacting clause and insert the language of S. F. No. 481 as shown in the reports from the Committee on Education (Senate Journal, April 21, 1977) and the Committee on Finance (Senate Journal, April 25, 1977). (H. F. No. 550 will be identical to S. F. No. 481, third engrossment.)

And when so amended, H. F. No. 550 will be identical to S. F. No. 481 and further recommends that H. F. No. 550 be given its second reading and substituted for S. F. No. 481 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.

SUSPENSION OF RULES

Mr. Merriam 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. 550 and that the rules of the Senate be so far suspended as to give H. F. No. 550 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 550 was read the second time.

H. F. No. 550: A bill for an act relating to the operation of government; providing for aids to education, tax levies, and the distribution of tax revenues; providing additional aids and levies for school districts with declining enrollment; eliminating foundation aid for summer programs for non-handicapped children; changing the method of distributing the agricultural tax credit; eliminating state aid for community education; establishing formulas for current funding of adult and secondary vocational education; creating a legislative school finance study commission; providing special retirement privileges for experienced teachers who teach part time or take an extended leave of absence; appropriating money; amending Minnesota Statutes 1976, Sections 120.10, Subdivision 1; 120.17, Subdivisions 1a and 5a; 121.11, Subdivision 5; 121.902; 121.914, Subdivisions 1, 2, 3 and 4; 121.917, Subdivisions 1 and 2; 123.335, Subdivision 2; 123.39, Subdivision 5; 123.351, Subdivision 5; 123.581, Subdivisions 1, 2, 3 and 6; 123.71, Subdivisions 1 and 2; 123.742, Subdivision 1; 124.11; 124.14, Subdivision 1; 124.17, Subdivisions 1, 2, and by adding a subdivision; 124.19, Subdivision 1; 124.20; 124.212, Subdivisions 1, 3a, 6b, 7b and 8a, and by adding a subdivision; 124.213; 124.222, Subdivisions 1a, 1b, 2a, 3, 6, and by adding a subdivision; 124.223; 124.26, Subdivisions 1 and 4; 124.271, Subdivisions 2 and 5; 124.30, Subdivision 5; 124.32; 124.38, Subdivision 7; 124.562, Subdivision 1; 124.565, Subdivisions 1 and 3; 124.57; 124.572; 124.573; 128A.02, Subdivisions 2 and 3; 128A.06; 273.132; 273.138, Subdivision 3; 275.125, Subdivisions 2a, 8, 9, 9a, and 13; and 475.61, Subdivision 4; amending Minnesota Statutes 1976, Chapter 136A, by adding a section; Chapter 354, by adding sections and Chapter 354A, by adding sections; amending Laws 1967, Chapter 822, Section 7, as amended; Laws 1969, Chapter 775, Section 4, Subdivision 2, as amended; Laws 1969, Chapter 1060, Section 7, as amended; and Laws 1976, Chapter 271, Section 94; repealing Minnesota Statutes 1976, Sections 124.215, Subdivision 2a; 124.222, Subdivisions 4 and 5; 124.25; 124.271, Subdivisions 1, 2, 3, 4 and 5; 124.30; 124.562, Subdivision

6; 124.563, Subdivision 4; 124.565, Subdivision 2; 124.57, Subdivisions 1 and 3, as added; 473.633; and 473.635.

CALL OF THE SENATE

Mr. Ulland, J. imposed a call of the Senate for the balance of the proceedings on H. F. No. 550. The following Senators answered to their names:

Anderson	Frederick	Laufenburger	Peterson	Strand
Ashbach	Gearty	Lessard	Renneke	Stumpf
Bang	Gunderson	Lewis	Schmitz	Ueland, A.
Benedict	Hughes	Luther	Schrom	Ulland, J.
Bernhagen	Humphrey	McCutcheon	Setzpfandt	Vega
Borden	Jensen	Menning	Sieloff	Wegener
Chmielewski	Johnson	Merriam	Sikorski	Willet
Davies	Keefe, J.	Moe	Sillers	
Dieterich	Keefe, S.	Ogdahl	Spear	
Dunn	Kirchner	Olhoft	Staples	
Engler	Knutson	Perpich	Stokowski	

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

Mr. Ulland, J. moved to amend H. F. No. 550, as amended pursuant to Rule 49, adopted by the Senate May 2, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 481.)

Page 8, strike section 6

Page 17, line 1, strike "\$595,100,000" and insert "\$599,100,000"

Page 17, line 8, strike "\$591,160,000" and insert "\$595,160,000"

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 23, strike "subdivisions" and insert "a subdivision"

The question was taken on the adoption of the amendment.

Mr. Merriam moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 18 and nays 45, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Jensen	Ogdahl	Ueland, A.
Bang	Dunn	Keefe, J.	Renneke	Ulland, J.
Bernhagen	Engler	Kirchner	Sieloff	
Brataas	Frederick	Knutson	Solon	

Those who voted in the negative were:

Anderson	Dieterich	Keefe, S.	McCutcheon	Nichols
Benedict	Gearty	Kleinbaum	Menning	Olhoft
Borden	Gunderson	Knoll	Merriam	Penny
Chenoweth	Hughes	Laufenburger	Milton	Perpich
Coleman	Humphrey	Lewis	Moe	Peterson
Davies	Johnson	Luther	Nelson	Purfeerst

Schaaf
Schmitz
Schrom

Setzepfandt
Sikorski
Sillers

Spear
Staples
Stokowski

Strand
Stumpf
Tennessee

Vega
Wegener
Willet

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

Mr. Frederick moved to amend H. F. No. 550, as amended pursuant to Rule 49, adopted by the Senate May 2, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 481.)

Page 8, line 20, strike "\$1,025" and insert "\$1,050"

Page 8, line 27, strike "\$1,025" and insert "\$1,050"

Page 8, line 27, strike "\$65" and insert "\$90"

Page 8, line 28, strike "\$1,025" and insert "\$1,050"

Page 9, line 1, strike "\$1,075" and insert "\$1,125"

Page 11, lines 7 and 11, strike "\$1,025" and insert "\$1,050"

Page 11, line 11, strike "\$65" and insert "\$90"

Page 11, line 12, strike "\$1,075" and insert "\$1,125"

Page 17, line 1, strike "\$595,100,000" and insert "\$616,630,000"

Page 17, line 4, strike "\$549,600,000" and insert "\$571,130,000"

Page 17, line 8, strike "\$591,160,000" and insert "\$640,800,000"

Page 17, line 9, strike "\$52,500,000" and insert "\$54,600,000"

Page 17, line 11, strike "\$538,660,000" and insert "\$586,200,000"

Page 67, line 31, strike "\$1,025" and insert "\$1,050"

Page 67, line 32, strike "\$1,075" and insert "\$1,125"

Page 95, line 27, strike "\$608,675" and insert "\$625,550"

Page 95, line 28, strike "\$1,200,000" and insert "\$1,253,000"

Page 95, line 32, strike "\$286,350" and insert "\$313,000"

Page 96, line 1, strike "\$314,500" and insert "\$442,500"

The question was taken on the adoption of the amendment.

Mr. Merriam moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 18 and nays 47, as follows:

Those who voted in the affirmative were:

Ashbach
Bang
Benedict
Bernhagen

Brataas
Dunn
Engler
Frederick

Jensen
Keefe, J.
Kirchner
Knutson

Ogdahl
Renneke
Sieloff
Sillers

Ueland, A.
Ulland, J.

Those who voted in the negative were:

Anderson	Humphrey	Menning	Peterson	Stokowski
Chenoweth	Johnson	Merriam	Purfeerst	Strand
Chmielewski	Keefe, S.	Milton	Schaaf	Stumpf
Coleman	Kleinbaum	Moe	Schmitz	Tennesen
Davies	Knoll	Nelson	Schrom	Vega
Dieterich	Laufenburger	Nichols	Setzepfandt	Wegener
Gearty	Lessard	Olhoff	Sikorski	Willet
Gunderson	Lewis	Olson	Solon	
Hanson	Luther	Penny	Spear	
Hughes	McCutcheon	Perpich	Staples	

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

Mrs. Brataas moved to amend H. F. No. 550, as amended pursuant to Rule 49, adopted by the Senate May 2, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 481.)

Page 8, line 20, strike "\$1,025" and insert "\$1,037"

Page 8, line 27, strike "\$1,025" and insert "\$1,037"

Page 8, line 27, strike "\$65" and insert "\$77"

Page 8, line 28, strike "\$1,025" and insert "\$1,037"

Page 9, line 1, strike "\$1,075" and insert "\$1,099"

Page 11, lines 7 and 11, strike "\$1,025" and insert "\$1,037"

Page 11, line 11, strike "\$65" and insert "\$77"

Page 11, line 12, strike "\$1,075" and insert "\$1,099"

Page 17, line 1, strike "\$595,100,000" and insert "\$605,000,000"

Page 17, line 4, strike "\$549,600,000" and insert "\$559,500,000"

Page 17, line 8, strike "\$591,160,000" and insert "\$615,000,000"

Page 17, line 9, strike "\$52,500,000" and insert "\$53,500,000"

Page 17, line 11, strike "\$538,660,000" and insert "\$561,500,000"

Page 67, line 31, strike "\$1,025" and insert "\$1,037"

Page 67, line 32, strike "\$1,075" and insert "\$1,099"

Page 95, line 27, strike "\$608,675" and insert "\$618,000"

Page 95, line 28, strike "\$1,200,000" and insert "\$1,224,500"

Page 95, line 32, strike "\$286,350" and insert "\$309,000"

Page 96, line 1, strike "\$314,500" and insert "\$432,500"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 17 and nays 44, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Keefe, J.	Ogdahl	Sillers
Bang	Engler	Kirchner	Renneke	Ueland, A.
Bernhagen	Frederick	Knutson	Sieloff	Ulland, J.
Brataas	Jensen			

Those who voted in the negative were:

Anderson	Hanson	Lewis	Penny	Spear
Benedict	Hughes	Luther	Perpich	Staples
Borden	Humphrey	McCutcheon	Peterson	Stokowski
Chmielewski	Johnson	Menning	Purfeerst	Strand
Coleman	Keefe, S.	Merriam	Schaaf	Stumpf
Davies	Kleinbaum	Milton	Schmitz	Vega
Dieterich	Knoll	Moe	Schrom	Wegener
Gearty	Laufenburger	Nelson	Setzepfandt	Willet
Gunderson	Lessard	Olhoft	Sikorski	

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

Mr. Engler moved to amend H. F. No. 550, as amended pursuant to Rule 49, adopted by the Senate May 2, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 481.)

Page 41, line 28, after "shall" insert "match and"

Page 41, line 28, strike "50 cents per capita"

Page 42, line 2, before the period insert "*an amount which is equal to the dollar amount of the levy certified by that district for use in that year pursuant to section 275.125, subdivision 8, clause (1), but not to exceed \$1 per capita or \$5,000, whichever is greater, for 1977-1978, and \$1 per capita or \$7,000, whichever is greater, for 1978-1979*"

Page 44, line 20, strike "\$1,600,000" and insert "\$3,530,000"

Page 44, line 21, strike "\$1,700,000" and insert "\$4,163,000"

The question was taken on the adoption of the amendment.

Mr. Chenoweth moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 16 and nays 39, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Keefe, J.	Ogdahl	Sillers
Bernhagen	Frederick	Kirchner	Renneke	Ueland, A.
Brataas	Jensen	Knutson	Sieloff	Ulland, J.
Dunn				

Those who voted in the negative were:

Anderson	Gearty	Laufenburger	Nelson	Spear
Benedict	Gunderson	Lessard	Olhoft	Staples
Borden	Hanson	Lewis	Perpich	Stokowski
Chenoweth	Humphrey	Luther	Peterson	Strand
Chmielewski	Johnson	McCutcheon	Schaaf	Stumpf
Coleman	Keefe, S.	Menning	Schmitz	Vega
Davies	Kleinbaum	Merriam	Setzepfandt	Willet
Dieterich	Knoll	Milton	Sikorski	

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

Mr. Frederick moved to amend H. F. No. 550, as amended pursuant to Rule 49, adopted by the Senate May 2, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 481.)

Page 41, line 28, after "per capita" insert "or \$5,000 whichever is greater"

Page 44, line 20, strike "\$1,600,000" and insert "\$2,180,000"

Page 44, line 21, strike "\$1,700,000" and insert "\$2,420,000"

The question was taken on the adoption of the amendment.

Mr. Chenoweth moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 16 and nays 43, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Jensen	Knutson	Sillers
Bang	Engler	Keefe, J.	Renneke	Ueland, A.
Bernhagen	Frederick	Kirchner	Sieloff	Ulland, J.
Brataas				

Those who voted in the negative were:

Anderson	Gunderson	Lewis	Penny	Spear
Benedict	Hanson	Luther	Perpich	Staples
Borden	Humphrey	McCutcheon	Peterson	Stokowski
Chenoweth	Johnson	Menning	Purfeerst	Strand
Chmielewski	Keefe, S.	Merriam	Schaaf	Stumpf
Coleman	Kleinbaum	Milton	Schmitz	Vega
Davies	Knoll	Nelson	Schrom	Willet
Dieterich	Laufenburger	Nichols	Setzepfandt	
Gearty	Lessard	Olhoff	Sikorski	

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

Mr. Schaaf moved to amend H. F. No. 550, as amended pursuant to Rule 49, adopted by the Senate May 2, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 481.)

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 275, is amended by adding a section to read:

[275.128] [SCHOOL DISTRICT LEVY.] *Each school district shall annually levy the amount necessary to maintain, operate, and equip its schools.*

Sec. 2. Minnesota Statutes 1976, 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 1976, the income taxes imposed by this chapter upon individuals, estates and trusts, other than those taxable as corporations, shall be computed by applying to their taxable net income 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~~ *eight-tenths* percent;
- (2) On the second \$500, ~~two and two-tenths~~ *one and one-tenth* percent;
- (3) On the next \$1,000, ~~three and five-tenths~~ *one and eight-tenths* percent;
- (4) On the next \$1,000, ~~five and eight-tenths~~ *two and nine-tenths* percent;
- (5) On the next \$1,000, ~~seven and three-tenths~~ *three and seven-tenths* percent;
- (6) On the next \$1,000, ~~eight and eight-tenths~~ *four and four-tenths* percent;
- (7) On the next \$2,000, ~~ten and two-tenths~~ *five and one-tenth* percent;
- (8) On the next \$2,000, ~~eleven and five-tenths~~ *five and eight-tenths* percent;
- (9) On the next \$3,500, ~~twelve and eight-tenths~~ *six and four-tenths* percent;
- (10) On all over \$12,500, and not over \$20,000, ~~fourteen seven~~ percent;
- (11) On the remainder, ~~fifteen seven and five-tenths~~ 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. 3. [REPEALER.] *Minnesota Statutes 1976, Section 275.125; and Chapter 124, are repealed.*"

Amend the title as follows:

Page 1, line 2, strike "providing for aids to" and insert "eliminating aid to education by the state; requiring school districts to levy taxes sufficient to maintain, operate, and equip its schools; reducing the individual income tax rates; amending Minnesota Statutes 1976, Section 290.06, Subdivision 2c; and Chapter 275, by adding a section; repealing Minnesota Statutes 1976, Section 275.125; and Chapter 124."

Page 1, strike lines 3 to 40

Page 2, strike lines 1 to 8

Mr. Sieloff questioned whether the amendment was in order.
The President ruled the amendment was out of order.

Mr. Sieloff moved to amend H. F. No. 550, as amended pursuant to Rule 49, adopted by the Senate May 2, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 481.)

Page 48, strike section 5

Page 55, line 22, strike "\$60,800,000" and insert "\$64,885,692"

Page 58, strike lines 3 and 4

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 28, strike "Subdivisions 1 and" and insert "Sub-division"

The question was taken on the adoption of the amendment.

Mr. Merriam moved that those not voting be excused from voting.

The question was taken on adoption of the Merriam motion.

The roll was called, and there were yeas 47 and nays 15, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	McCutcheon	Peterson	Stokowski
Benedict	Hughes	Menning	Purfeerst	Strand
Borden	Humphrey	Merriam	Schaaf	Stumpf
Chenoweth	Johnson	Milton	Schmitz	Tennessen
Chmielewski	Keefe, S.	Moe	Schrom	Vega
Coleman	Knoll	Nelson	Setzepfandt	Wegener
Davies	Laufenburger	Nichols	Sikoraki	Willet
Dieterich	Lessard	Olhoft	Solon	
Gearty	Lewis	Penny	Spear	
Gunderson	Luther	Perpich	Staples	

Those who voted in the negative were:

Ashbach	Dunn	Keefe, J.	Ogdahl	Sillers
Bernhagen	Engler	Kirchner	Renneke	Ueland, A.
Brataas	Frederick	Knutson	Sieloff	Ulland, J.

The motion prevailed.

The question recurred on the Sieloff amendment.

The roll was called, and there were yeas 19 and nays 41, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Keefe, J.	Renneke	Ueland, A.
Bang	Engler	Kirchner	Schrom	Ulland, J.
Bernhagen	Frederick	Knutson	Sieloff	Willet
Brataas	Jensen	Ogdahl	Sillers	

Those who voted in the negative were:

Anderson	Gunderson	Lewis	Olson	Staples
Benedict	Hanson	Luther	Penny	Stumpf
Borden	Hughes	McCutcheon	Perpich	Tennessee
Chenoweth	Humphrey	Merriam	Peterson	Vega
Chmielewski	Johnson	Milton	Schaaf	Wegener
Coleman	Keefe, S.	Moe	Schmitz	
Davies	Knoll	Nelson	Sikorski	
Dieterich	Laufenburger	Nichols	Solon	
Gearly	Lessard	Olhoff	Spear	

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

Mr. Ueland, A. moved to amend H. F. No. 550, as amended pursuant to Rule 49, adopted by the Senate May 2, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 481.)

Page 58, after line 14, insert:

"Sec. 2. [124.216] [ADVANCED TEACHER TRAINING AND EXPERIENCE AID.] *Subdivision 1. Any district having one or more full time classroom teachers with an M. A. 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 computed pursuant to subdivisions 3 and 4 of this section.*

Subd. 2. The following words and phrases shall have the meanings ascribed to them for the purposes of this section:

(1) "Full time classroom teacher" means an elementary teacher with instructional duties at least five hours per school day, and a secondary teacher with assignable subjects at least five periods in a six period day or six periods in a seven or eight period day.

(2) "Statewide average experience level" is eight years.

(3) "M.A." or "M.A. equivalency" means a master's degree or a baccalaureate degree plus 45 quarter credits.

(4) "Percentage multiplier" means the product of the percentage of full time classroom teachers in the district with an M.A. or M.A. equivalency in relation to all full time classroom teachers in the district, times the number of full time classroom teachers in the district with an M.A. or M.A. equivalency.

Subd. 3. The aid for advanced teacher experience shall be the sum total of the amounts computed by multiplying the number of years by which each full time classroom teacher exceeds the statewide average experience level times \$75, but in no event shall the aid exceed \$300 per full time classroom teacher.

Subd. 4. The aid for advanced teacher training aid shall be the product of multiplying the percentage multiplier times \$400.

Subd. 5. The amounts computed pursuant to subdivisions 3 and 4 shall be in addition to regular foundation aid payments.

Subd. 6. This section shall expire on July 1, 1979."

Page 58, line 28, strike "9" and insert "10"

Page 66, line 5, strike "9" and insert "10"

Page 66, line 13, strike "9" and insert "10"

Page 69, after line 3, insert:

"Subd. 2. [ADVANCED TEACHER TRAINING AND EXPERIENCE AID.] For advanced teacher training and experience aid, there is appropriated:

\$10,217,500

1979.

This is a final, non-recurring appropriation."

Renumber the subdivisions in sequence

Page 70, line 7, strike "5" and insert "6"

Page 70, line 21, strike "5" and insert "6"

Page 70, line 32, strike "15 and 16" and insert "16 and 17"

Page 71, line 2, after the period insert "Section 2 of this article shall be effective July 1, 1978."

Renumber the sections in sequence

The question was taken on the adoption of the amendment.

Mr. Chenoweth moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 16 and nays 48, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Keefe, J.	Ogdahl	Sillers
Bang	Engler	Kirchner	Renneke	Ueland, A.
Benedict	Frederick	Knutson	Sieloff	Ulland, J.
Bernhagen				

Those who voted in the negative were:

Anderson	Hanson	Luther	Penny	Staples
Borden	Hughes	McCutcheon	Perpich	Stokowski
Chenoweth	Humphrey	Menning	Peterson	Strand
Chmielewski	Jensen	Merriam	Purfeerst	Stumpf
Coleman	Johnson	Milton	Schaaf	Tennessen
Davies	Keefe, S.	Moe	Schmitz	Vega
Dieterich	Kleinbaum	Nelson	Schrom	Wegener
Dunn	Laufenburger	Nichols	Setzepfandt	Willet
Gearty	Lessard	Olhoff	Sikorski	
Gunderson	Lewis	Olson	Spear	

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

Mr. Knutson moved to amend H. F. No. 550, as amended pursuant to Rule 49, adopted by the Senate May 2, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 481.)

Page 58, after line 2, insert:

“Sec. 15. Minnesota Statutes 1976, Chapter 136A, is amended by adding a section to read:

[136A.236] [TUITION SUBSIDIES FOR AREA VOCATIONAL-TECHNICAL SCHOOL STUDENTS.] *Subdivision 1. The higher education coordinating board shall supervise a program of financial aid for certain students attending public post-secondary area vocational-technical schools established pursuant to section 121.21.*

Subd. 2. Any Minnesota resident who is under 21 years of age, who attends a public post-secondary area vocational-technical school, and who is not receiving a state scholarship or grant-in-aid for the current year of attendance, shall be eligible to apply for a financial aid pursuant to this section of this article.

Subd. 3. Recipients of these financial aids shall be selected by the public post-secondary area vocational-technical school of attendance, in accordance with rules and procedures adopted by the higher education coordinating board.

Subd. 4. The amount of any financial aid award shall be based on the need of the applicant determined by the school in accordance with rules adopted by the higher education coordinating board, but the amount of an award shall not exceed 100 percent of the educational expenses for the student's program pursuant to section 124.565, subdivision 3. For the purposes of this subdivision educational expenses are to include tools, books, uniforms, and other required equipment and supplies.

Subd. 5. Financial aids pursuant to this section shall be awarded for the lesser of one year or the period approved by the state board of education for completion of the program, in accordance with rules and procedures of the higher education coordinating board. Awards shall not be renewable but the recipient of an award may apply for additional awards for subsequent periods or years.

Subd. 6. Funds appropriated for financial aids pursuant to this section of this article shall be distributed to the public post-secondary area vocational-technical schools by the higher education coordinating board according to rules and procedures adopted by the board.

Sec. 16. [APPROPRIATION.] *There is appropriated from the general fund to the higher education coordinating board for the biennium ending June 30, 1979, the sum of \$3,600,000 for the program of financial aids established pursuant to section 15 of this article. This amount includes \$15,000 for the expenses of the higher education coordinating board in administering the program.*”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 35, after the semicolon, insert “Chapter 136A, by adding a section;”

The question was taken on the adoption of the amendment.

Mr. Chenoweth moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 16 and nays 42, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Jensen	Knutson	Sillers
Bang	Engler	Keefe, J.	Renneke	Ueland, A.
Bernhagen	Frederick	Kirchner	Sieloff	Ulland, J.
Brataas				

Those who voted in the negative were:

Anderson	Gunderson	Lewis	Olson	Staples
Benedict	Hanson	Luther	Penny	Stokowski
Borden	Hughes	Menning	Perpich	Strand
Chenoweth	Humphrey	Merriam	Peterson	Stumpf
Chmielewski	Johnson	Milton	Schaaf	Tennessee
Coleman	Keefe, S.	Moe	Schmitz	Willet
Davies	Kleinbaum	Nelson	Setzepfandt	
Dieterich	Laufenburger	Nichols	Sikorski	
Gearty	Leasard	Olhoff	Spear	

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

Mr. Knutson then moved to amend H. F. No. 550, as amended pursuant to Rule 49, adopted by the Senate May 2, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 481.)

Page 22, line 20, strike the period and insert a semicolon

Page 22, after line 20, insert

"(f) reductions from fiscal year 1974 to fiscal year 1976 in the actual net operating cost per pupil transported in those years, provided that this reduction exceeds five percent of the fiscal year 1974 cost. If a qualifying reduction has been demonstrated prior to December 15, 1977, the actual net operating cost per eligible pupil transported during the 1976 fiscal year in that district shall be deemed to be 107 percent of the actual net operating cost per eligible pupil transported during the 1974 fiscal year for the purposes of this section."

The question was taken on the adoption of the amendment.

Mr. Chenoweth moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 17 and nays 41, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Keefe, J.	Ogdahl	Sillers
Bang	Engler	Kirchner	Renneke	Ueland, A.
Bernhagen	Frederick	Knutson	Sieloff	Ulland, J.
Brataas	Jensen			

Those who voted in the negative were:

Anderson	Gunderson	Menning	Purfeerst	Strand
Benedict	Hanson	Merriam	Schaaf	Stumpf
Borden	Humphrey	Milton	Schmitz	Tennessee
Chenoweth	Johnson	Moe	Schrom	Vega
Chmielewski	Keefe, S.	Nelson	Setzepfandt	Willet
Coleman	Kleinbaum	Olhoff	Sikorski	
Davies	Lessard	Penny	Spear	
Dieterich	Lewis	Perpich	Staples	
Gearty	Luther	Peterson	Stokowski	

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

Mr. Knutson then moved to amend H. F. No. 550, as amended pursuant to Rule 49, adopted by the Senate May 2, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 481.)

Pages 97 to 102, strike Article IX

Amend the title as follows:

Page 1, strike line 8

Page 1, line 9, strike "district construction;"

The question was taken on the adoption of the amendment.

Mr. Chenoweth moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 20 and nays 36, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Jensen	Lessard	Sieloff
Bang	Dunn	Keefe, J.	Renneke	Strand
Bernhagen	Engler	Kirchner	Schaaf	Ueland, A.
Brataas	Frederick	Knutson	Schmitz	Ulland, J.

Those who voted in the negative were:

Anderson	Gunderson	Lewis	Penny	Stokowski
Benedict	Hanson	Luther	Perpich	Stumpf
Borden	Hughes	Menning	Peterson	Tennessee
Chenoweth	Humphrey	Merriam	Setzepfandt	Willet
Coleman	Johnson	Milton	Sikorski	
Davies	Keefe, S.	Moe	Sillers	
Dieterich	Kleinbaum	Nelson	Spear	
Gearty	Laufenburger	Olhoff	Staples	

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

Mr. Knutson then moved to amend H. F. No. 550, as amended pursuant to Rule 49, adopted by the Senate May 2, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 481.)

Page 85, after line 23, insert:

"Sec. 27. [LEGISLATIVE EDUCATIONAL FINANCE STUDY COMMISSION.] *Subdivision 1. [CREATION.] A permanent commission to continually study and investigate educational finance systems is hereby created.*

Subd. 2. [POWERS.] The name of the commission is the legislative educational finance study commission. The commission shall make a continuing study and investigation of educational 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 educational finance in Minnesota in all its aspects including federal, state and local financing of elementary, middle school, secondary, adult, and vocational education;

(b) The study and analysis of all phases and aspects of the financing of higher education systems and institutions both public and private;

(c) 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 biennially to the governor and the legislature;

(d) The consideration of the financial status of school districts and higher education systems and institutions throughout Minnesota, including analysis of both revenues and expenditures;

(e) The consideration of future revenue needs and resources of Minnesota school districts and higher education systems and institutions and of plans for meeting these needs;

(f) The creation of a data base as necessary for the compilation and analysis of financial information on school districts in Minnesota;

(g) The study of power equalization financing as it would relate to Minnesota school districts;

(h) 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;

(i) The study of other areas relating to the financing of education in Minnesota including, but not limited to, school enrollments, school construction, interdistrict cooperation, staff salaries, administration, and disparities in costs, revenues, and taxes;

(j) To study, analyze, and prepare reports regarding any other subjects certified to the commission for such study.

Subd. 3. [MEMBERSHIP.] The commission consists of eight members of the senate to be appointed by the subcommittee on committees and eight 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 session of the legislature and until their successors

are appointed. Subsequent members of the commission shall be appointed at the commencement of each 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 subcommittee 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 legislative coordinating commission shall designate. 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 legislative coordinating commission shall designate or employ such professional, clerical, and technical assistants as it deems necessary in order for the legislative educational finance study commission 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 educational finance.

Sec. 28. The sum of \$175,000 is appropriated from the general fund to the legislative educational finance study commission for the purposes of section 26 to be available until June 30, 1979."

The question was taken on the adoption of the amendment.

Mr. Chenoweth moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 16 and nays 42, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Jensen	Knutson	Sillers
Bang	Frederick	Keefe, J.	Renneke	Ueland, A.
Bernhagen	Gunderson	Kirchner	Sieloff	Ulland, J.
Brataas				

Those who voted in the negative were:

Anderson	Gearty	Lewis	Perpich	Stokowski
Benedict	Hanson	Luther	Peterson	Strand
Borden	Hughes	Menning	Schaaf	Stumpf
Chenoweth	Humphrey	Merriam	Schmitz	Tennessee
Chmielewski	Johnson	Milton	Schrom	Vega
Coleman	Keefe, S.	Moe	Setzepfandt	Willet
Davies	Kleinbaum	Nelson	Sikorski	
Dieterich	Laufenburger	Olhoff	Spear	
Dunn	Lessard	Penny	Staples	

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

H. F. No. 550 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 10, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Luther	Penny	Solon
Bang	Hanson	McCutcheon	Perpich	Spear
Benedict	Hughes	Menning	Peterson	Staples
Borden	Humphrey	Merriam	Purfeerst	Stokowski
Chenoweth	Johnson	Milton	Schaaf	Strand
Chmielewski	Keefe, J.	Moe	Schmitz	Stumpf
Coleman	Keefe, S.	Nelson	Schrom	Tennessee
Davies	Kleinbaum	Nichols	Setzepfandt	Ulland, J.
Dieterich	Knoll	Ogdahl	Sieloff	Vega
Dunn	Laufenburger	Olhoff	Sikorski	Wegener
Gearty	Lewis	Olson	Sillers	Willet

Those who voted in the negative were:

Ashbach	Brataas	Frederick	Kirchner	Renneke
Bernhagen	Engler	Jensen	Knutson	Ueland, A.

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to 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 Mr. Gearty reported that the committee had considered the following:

S. F. No. 497 which the committee recommends to pass, subject to the following motion:

Mr. Spear moved to amend S. F. No. 497 as follows:

Page 1, line 12, strike "*feeling*" and insert "*having*"

Page 1, line 12, after "*manifesting*" insert "*a preference for*"

Page 1, line 13, after "to" insert "consenting persons of"

Page 1, line 13, strike "class of persons" and insert "gender"

The motion prevailed. So the amendment was adopted.

The question was taken on the recommendation to pass S. F. No. 497.

The roll was called, and there were yeas 32 and nays 27, as follows:

Those who voted in the affirmative were:

Borden	Hughes	Luther	Penny	Strand
Chenoweth	Humphrey	Merriam	Perpich	Stumpf
Coleman	Johnson	Milton	Schaaf	Tennessee
Davies	Keefe, S.	Moe	Sieloff	Ulland, J.
Dieterich	Knoll	Nelson	Sikorski	
Gunderson	Knutson	Nichols	Spear	
Hanson	Lewis	Ogdahl	Staples	

Those who voted in the negative were:

Anderson	Dunn	Lessard	Renneke	Vega
Bang	Engler	McCutcheon	Schmitz	Wegener
Benedict	Frederick	Menning	Schrom	Willet
Bernhagen	Gearty	Olhoft	Setzepfandt	
Brataas	Kleinbaum	Olson	Solon	
Chmielewski	Laufenburger	Purfeerst	Stokowski	

The motion prevailed. So S. F. No. 497 was recommended to pass.

On motion of Mr. Coleman, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

Mr. Coleman moved to revert to the Order of Business of Reports of Committees and Second Reading of House 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 referred

H. F. No. 1161 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1161	913				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1161 be amended as follows:

Page 2, after line 3 insert

"Sec. 3. Minnesota Statutes 1976, Section 136.602, is amended to read:

136.602 [ADDITIONAL COMMUNITY COLLEGES.] In addition to the community colleges authorized in Minnesota Statutes 1967, Sections Section 136.60 and 136.601, two community colleges are established under the jurisdiction of the state board for community colleges, one of which shall be located at Fairmont and the other at a site to be designated by the state board for community colleges at one of the sites recommended by the higher education coordinating board; namely, Alexandria, Cambridge, Hutchinson, New Ulm and Owatonna. This direction does not imply rejection of the remaining named sites, nor does it preclude legislative selection of alternative or additional sites."

Renumber the sections in order

Page 4, line 4, delete "136.602;"

Further amend the title in line 7, by inserting "136.602;" after "subdivision;" and in line 10 by deleting "136.602;"

And when so amended, H. F. No. 1161 will be identical to S. F. No. 913 and further recommends that H. F. No. 1161 be given its second reading and substituted for S. F. No. 913 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. 1005 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		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1005	1297				

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 HOUSE BILLS

H. F. Nos. 1161 and 1005 were read the second time.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 7:00 o'clock p.m., Tuesday, May 3, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FORTY-SIXTH DAY

St. Paul, Minnesota, Tuesday, May 3, 1977

The Senate met at 7:00 o'clock p.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	Gearty	Knutson	Olhoft	Schmitz
Bang	Gunderson	Laufenburger	Olson	Sikorski
Bernhagen	Hanson	Lessard	Penny	Spear
Chmielewski	Hughes	Lewis	Perpich	Staples
Coleman	Johnson	McCutcheon	Peterson	Stokowski
Davies	Kirchner	Menning	Pillsbury	Strand
Dieterich	Kleinbaum	Milton	Purfeerst	Stumpf
Frederick	Knoll	Nelson	Schaaf	Ulland, J.

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

Prayer was offered by the Chaplain, Joe Peterson.

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

Anderson	Frederick	Laufenburger	Olson	Sillers
Ashbach	Gearty	Lessard	Penny	Solon
Bang	Gunderson	Lewis	Perpich	Spear
Benedict	Hanson	Luther	Peterson	Staples
Bernhagen	Hughes	McCutcheon	Pillsbury	Stokowski
Borden	Humphrey	Menning	Purfeerst	Strand
Brataas	Johnson	Merriam	Renneke	Stumpf
Chmielewski	Keefe, J.	Milton	Schaaf	Tennessee
Coleman	Keefe, S.	Moe	Schmitz	Ueland, A.
Davies	Kirchner	Nelson	Schrom	Ulland, J.
Dieterich	Kleinbaum	Nichols	Setzepfandt	Vega
Dunn	Knoll	Ogdahl	Sieloff	Wegener
Engler	Knutson	Olhoft	Sikorski	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. Milton was excused from this evening's Session from 8:30 o'clock p.m. until 9:30 o'clock p.m. Mr. Sieloff was excused from this evening's Session at 10:30 o'clock p.m. Mr. Schrom was excused from this evening's Session at 10:00 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. Keefe, J. introduced—

S. F. No. 1500: A bill for an act relating to nursing homes; providing for sharing of services of licensed administrators; amending Minnesota Statutes 1976, Section 144A.04, Subdivision 5.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Kleinbaum, Coleman and Mrs. Brataas introduced—

S. F. No. 1501: A bill for an act relating to solid waste; prohibiting disposal by burial after a certain date; authorizing exceptions; amending Minnesota Statutes 1976, Section 116.41, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Milton, Johnson and Stokowski introduced—

S. F. No. 1502: A bill for an act relating to taxation; updating the reference to the Internal Revenue Code for income tax purposes; permitting an optional means of computing individual income tax; amending Minnesota Statutes 1976, Section 290.01, Subdivision 20; and Chapter 290, by adding a section.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Kleinbaum and Dunn introduced—

S. F. No. 1503: 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; appropriating money.

Referred to the Committee on Education.

Mr. Knoll introduced—

S. F. No. 1504: A bill for an act relating to noise pollution; establishing a noise abatement program at the Minneapolis-St. Paul International Airport and the Duluth International Airport; prescribing certain powers and duties for the Minnesota pollution control agency, the metropolitan airports commission and the Duluth airport authority.

Referred to the Committee on Agriculture and Natural Resources.

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. 530, 640, 684 and 716.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 2, 1977

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned:

S. F. No. 836.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 3, 1977

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 five members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 32: A bill for an act relating to shade tree disease control; authorizing grants for municipal shade tree removal and reforestation programs; authorizing a shade tree disease control research program; appropriating money; amending Minnesota Statutes 1976, Sections 18.023, Subdivisions 1, 1a, 2, 3a, 4, 7, 8 and 11, and adding a subdivision; 116.07, Subdivision 4; and 275.50, by adding a subdivision; repealing Minnesota Statutes 1976, Section 18.023, Subdivision 6.

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

Berg, Wynia, Welch, Kalis and Friedrich.

Senate File No. 32 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 3, 1977

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. 1034: A bill for an act relating to transportation; appropriating money for the operation of Amtrak rail service between the Twin Cities and Duluth.

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

Munger, Haugerud and Carlson, D.

Senate File No. 1034 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 3, 1977

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 five members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 1416: A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes, including appropriations for the departments of public welfare, vocational rehabilitation, corrections, corrections ombudsman, health, health related boards, and public assistance programs; and repealing Minnesota Statutes 1976, Section 261.233.

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

Samuelson, Rice, Hanson, Forsythe and Corbid.

Senate File No. 1416 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 3, 1977

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 462, 1094, 1275, 1421, 313, 491, 829, 600, 41, 972, 981, 1114, 461, 635, 808, 916, 921 and 338.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 2, 1977

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 1086, 938, 217, 1119, 1223, 1386, 1015, 1130, 1283, 1387 and 257.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 3, 1977

FIRST READING OF HOUSE BILLS

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

H. F. No. 462: A bill for an act relating to public health; requiring the provision of health record information to certain persons; requiring the transfer of health records under certain conditions; amending Minnesota Statutes 1976, Chapter 144, by adding a section.

Referred to the Committee on Judiciary.

H. F. No. 1094: A bill for an act relating to insurance; providing for competitive bids on group contracts for certain public bodies; amending Minnesota Statutes 1976, Section 471.616, Subdivision 1.

Referred to the Committee on Commerce.

H. F. No. 1275: A bill for an act relating to agriculture; grain inspection and weighing; fees; providing a basis for establishing and adjusting fees; amending Minnesota Statutes 1976, Section 17B.15, Subdivision 2.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 1421: A bill for an act relating to natural resources; designating wild rice as the official state grain; amending Minnesota Statutes 1976, Chapter 1, by adding a section.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 313: A bill for an act relating to unemployment compensation; providing eligibility for benefits for certain retired workers; amending Minnesota Statutes 1976, Section 268.09, Subdivision 1, as amended by Laws 1977, Chapter 4.

Referred to the Committee on Employment.

H. F. No. 491: A bill for an act relating to retirement; police pensions in the city of Crookston.

Referred to the Committee on Governmental Operations.

H. F. No. 829: A bill for an act relating to landlord and tenant; establishing period for which interest is payable on security deposit; providing a measure of damages for the improper withholding of security deposits; amending Minnesota Statutes 1976, Section 504.20, Subdivisions 2, 3, 4, 7 and 7a.

Referred to the Committee on Judiciary.

H. F. No. 600: A bill for an act relating to elections; providing for uniform reporting dates for and disclosure of campaign contributions and expenditures of political committees and candidates; providing for statements of economic interest for candidates and

persons elected to public office; defining certain terms; providing exemption from disclosure requirements for certain persons and political committees; providing restrictions on the use of government publications; prohibiting sample ballots which appear to be official ballots; giving the secretary of state and filing officers certain duties with respect to elections; permitting codes of ethics for counties, cities, and school districts; providing penalties; amending Minnesota Statutes 1976, Sections 210A.01, Subdivisions 1, 3, 5, 6, and 8, and by adding subdivisions; 210A.05, Subdivision 1; 210A.16; 210A.21; 210A.24; 210A.27, Subdivision 1; 210A.29; 210A.32; and 290.09, Subdivision 2; and Chapters 123, by adding a section; 210A, by adding sections; 375, by adding a section; and 471, by adding a section; repealing Minnesota Statutes 1976, Sections 123.015; 210.22; 210A.01, Subdivisions 4, 7, and 9; 210A.22; 210A.23; 210A.25; 210A.26; 210A.28; 210A.30; 210A.31; and 210A.33.

Referred to the Committee on Elections.

H. F. No. 41: A bill for an act relating to public safety; requiring fire detection devices in certain residential housing; directing the commissioner of administration to amend the state building code; amending Minnesota Statutes 1976; Section 16.85, Subdivision 1; and Chapter 299F, by adding a section.

Referred to the Committee on Commerce.

H. F. No. 972: A bill for an act relating to fire and casualty loss insurance companies; regulating termination of agency contracts; requiring certain notice before termination; prescribing civil penalties.

Referred to the Committee on Commerce.

H. F. No. 981: A bill for an act relating to health; health maintenance organizations; requiring health maintenance organizations to permit optometrists to provide services to enrollees; amending Minnesota Statutes 1976, Section 62D.12, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 1114: A bill for an act relating to public welfare; creating a rebuttable presumption that certain transfers of property are intended to make persons eligible for medical or maintenance assistance; amending Minnesota Statutes 1976, Chapter 256, by adding a section; repealing Minnesota Statutes 1976, Section 256B.17.

Referred to the Committee on Judiciary.

H. F. No. 461: A bill for an act relating to welfare; providing penalties for welfare offenses; amending Minnesota Statutes 1976, Sections 256.98; and 393.07, Subdivision 10.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 101 now on the Calendar.

H. F. No. 635: A bill for an act relating to insurance; increasing solicitors license fees; authorizing issuance of cease and desist orders and injunctions; prescribing and clarifying penalties; amending Minnesota Statutes 1976, Sections 60A.17, Subdivision 4, and by adding subdivisions; and 72A.07.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 784 now on General Orders.

H. F. No. 808: A bill for an act relating to local improvement contracts; requiring percentage payments thereunder, and requiring payment of interest on money due and not paid in accordance with the contract; amending Minnesota Statutes 1976, Section 429.041, Subdivision 6.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 832 now on General Orders.

H. F. No. 916: A bill for an act relating to welfare; child support; authorizing additional procedures in collection of support payments; updating uniform reciprocal enforcement of support act; amending Minnesota Statutes 1976, 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; 393.11; 487.19, Subdivision 1; 518.41; 518.42, Subdivisions 2, 5, 7, 8, 9, and by adding subdivisions; 518.45, Subdivisions 2, 4 and 5; 518.46, Subdivisions 2, 3 and 4; 518.48; 518.49; 518.551; and Chapter 518, by adding a section.

Referred to the Committee on Rules and Administration.

H. F. No. 921: A bill for an act relating to public employees; designating the number of arbitrators to resolve labor dispute; amending Minnesota Statutes 1976, Section 179.72, Subdivision 6.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 962 now on the Calendar.

H. F. No. 338: A bill for an act relating to commerce; providing an exclusive remedy for products liability actions; providing a statute of limitations; providing certain defenses; providing for the reporting of claims to the commissioner of insurance.

Referred to the Committee on Judiciary.

H. F. No. 938: A bill for an act relating to Ramsey county; providing for construction of necessary highway improvements; apportioning costs; prescribing certain limitations; amending Laws 1974, Chapter 435, Section 1.0209, as amended.

Referred to the Committee on Rules and Administration.

H. F. No. 257: A bill for an act relating to banks, trust companies and savings banks; rule making authority; fees for special investigations; accounts maintained by banking division employees; fees; banks minimum organizational capital, surplus and undivided profits; providing for certified deposit of capital funds in a custodial bank; providing for banks annual audit systems, approval and reports; state banks minimum capital requirements, establishing investigatory fee for application to acquire trust authority; trust company minimum capital requirements; relating to boards of directors of financial institutions; clarification of certain language; amending Minnesota Statutes 1976, Sections 46.01; 46.04; 46.05; 46.09; 46.131, Subdivision 2, and by adding a subdivision; 48.02; 48.10; 48.36; 48.37; 48.44; 48.67; 48.69; 300.025 and 300.20.

Referred to the Committee on Commerce.

H. F. No. 1086: A bill for an act relating to crimes; requiring the commissioner of corrections to conduct research to assess the extent and nature of juvenile prostitution and to develop a program for the prevention and treatment of prostitution; reports to legislature; pilot projects.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 1015: A bill for an act relating to human rights; clarifying the scope of sex discrimination; providing for an appeal by the commissioner; providing for a civil action without filing with the department; amending Minnesota Statutes 1976, Sections 363.01, by adding a subdivision; 363.02, Subdivision 1; 363.05, Subdivision 1; 363.072, Subdivision 1.

Referred to the Committee on Judiciary.

H. F. No. 1130: A bill for an act relating to motor vehicle carriers; requiring insurance or bond before the issuance of a certificate or permit to a motor carrier; providing for suspension and revocation of certificate or permit for failure to maintain insurance or other security; registration fee exemptions; amending Minnesota Statutes 1976, Sections 221.141, Subdivision 1; and 221.64.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1135 now on the Calendar.

H. F. No. 1283: A bill for an act relating to economic development; industrial development bonds; removing requirement of approval by commissioner of economic development; amending Minnesota Statutes 1976, Section 474.01, Subdivision 7, and by adding a subdivision.

Referred to the Committee on Employment.

H. F. No. 1387: A bill for an act relating to housing; providing an exception to interest limitations for borrowing by housing and development authorities; amending Minnesota Statutes 1976, Section 462.555.

Referred to the Committee on Energy and Housing.

H. F. No. 1386: A bill for an act relating to agriculture; clarifying certain terms; eliminating six months license provision; permitting license suspension; permitting waiver of the right to a hearing; clarifying weighing locations and weighing fees; amending Minnesota Statutes 1976, Sections 17A.03, Subdivisions 6 and 7; 17A.04, Subdivision 1, and by adding a subdivision; 17A.05, Subdivision 2; 17A.06, Subdivisions 2 and 3; 17A.10, and 17A.11.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 217: A bill for an act relating to St. Cloud; St. Cloud metropolitan transit commission; authorizing the inclusion of parts of municipalities in the transit area; amending Laws 1969, Chapter 1134, Section 2, Subdivision 1.

Referred to the Committee on Transportation.

H. F. No. 1119: A bill for an act relating to Ramsey county; providing for additional membership on its civil service commission; further prescribing and clarifying the duties of the commission; eliminating per diem payments for library board members; amending Laws 1974, Chapter 435, Section 3.02; repealing Laws 1974, Chapter 435, Section 1.0208.

Referred to the Committee on Local Government.

H. F. No. 1223: A bill for an act relating to administrative procedures; providing for notice and hearing in various administrative decisions; amending Minnesota Statutes 1976, Sections 10A.20, Subdivision 10; 17A.06, Subdivisions 2 and 3; 27.06; 53.03, Subdivisions 1, 2 and 3; 144.802; 155.11, Subdivisions 1 and 2; 216A.05, Subdivision 5; 218.041, Subdivision 3; and 219.741; repealing Minnesota Statutes 1976, Section 53.03, Subdivision 3.

Referred to the Committee on Governmental Operations.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk with the exception of the report on S. F. No. 1354 be now adopted. The motion prevailed.

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 971: A bill for an act relating to insurance; providing financial requirements for nonprofit health service plan corporations; amending Minnesota Statutes 1976, Section 62C.09, Subdivision 3.

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

Page 1, line 20, after "specified" insert "benefits"

Page 1, line 20, after "and" insert "limits for average"

Page 1, line 21, after "benefits" insert "of not greater than \$1,000 per year per insured"

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

Mr. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 242: A bill for an act relating to the department of public service; providing for its proper operation; prescribing certain powers, functions and duties; making certain corrections and improvements; revising procedures for regulation of certain activities; reducing certain fees; increasing certain penalties; amending Minnesota Statutes 1976, Sections 216A.02; 216A.03, Subdivision 5; 216A.05, Subdivision 1; 216A.07; 216B.16, Subdivision 2; 216B.53; 231.16; 232.04; 232.06, Subdivision 4; 237.22; 237.29, Subdivision 1; 239.02; 239.07; 239.08; 239.10; 239.12; 239.23; 239.24; and 239.44; repealing Minnesota Statutes 1976, Sections 239.20 and 239.45; and Laws 1975, Chapter 87, Section 5.

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

Page 2, line 21, after "majority" insert "of commissioners present, if at least"

Page 2, line 22, strike "of" and after "quorum" insert "is present,"

Page 3, line 26, strike "regulated"

Page 4, after line 6, insert:

"Sec. 5. Minnesota Statutes 1976, Section 216B.16, Subdivision 1, is amended to read:

216B.16 [RATE CHANGES; PROCEDURE; HEARING.] Subdivision 1. Unless the commission otherwise orders, no public utility shall change any rate which has been duly established under ~~Laws 1974, Chapter 429~~ *chapter 216B*, except after 30 60 days notice to the commission, ~~which~~ *The* notice shall include statements of facts, expert opinions, substantiating documents, and exhibits, supporting the change requested, and ~~further shall~~ state the change proposed to be made in the rates then in force, and the time when the modified rates will go into effect. The commission shall give written notice of the proposed change to the governing body of each municipality and county in the area affected. All proposed changes shall be shown by filing new schedules or shall be plainly indicated upon schedules on file and in force at the time."

Page 11, line 12, after "days" insert "after the objections are filed"

Page 13, line 27, strike "annual"

Page 17, line 12, strike "*Sections*" and insert "*Section*"

Page 17, line 13, strike "*239.45, and*"

Renumber the sections

Amend the title as follows:

Page 1, line 10, strike the second "*Subdivision*" and insert "*Subdivisions 1 and*"

Page 1, line 15, strike "*Sections*" and insert "*Section*" and strike "*and 239.45*"

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. 79: A bill for an act relating to real estate; placing restrictions on who may acquire title; providing enforcement powers; providing penalty; amending Minnesota Statutes 1976, Chapter 500, by adding a section; repealing Minnesota Statutes 1976, Section 500.22.

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

Page 1, line 16, after "*products*" and before the period insert "*but does not include any land zoned by a local governmental unit for a use other than and nonconforming with agricultural use*"

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

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

S. F. No. 1262: A bill for an act relating to the city of Lakeville; authorizing an increase in firemen's service pensions; amending Laws 1975, Chapter 125, Section 1.

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

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

H. F. No. 193: A bill for an act relating to the military; financing of armory construction; amending Minnesota Statutes 1976, Sections 193.143; 193.145, Subdivision 2; and 193.146, Subdivision 1; repealing Minnesota Statutes 1976, Section 193.1431.

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. 850: A bill for an act relating to courts; sixth judicial district; authorizing the position of domestic relations referee in St. Louis county; amending Minnesota Statutes 1976, Chapter 484, by adding a section.

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

Page 1, line 12, strike "*one or more suitable*" and insert "*a person*"

Page 1, line 13, strike "*persons*"

Page 1, line 13, strike "*referees*" and insert "*referee*"

Page 1, line 14, strike "*Such referees*" and insert "*The referee*"

Page 1, strike lines 17 and 18

Page 1, line 19, strike "*referees*" and insert "*the referee*"

Page 1, line 21, strike "*Minnesota,*"

Page 1, line 21, after "*judges*" and before the period, insert "*of the sixth judicial district*"

Page 1, line 21, after the period insert "*The compensation of the referee shall be subject to the limitations set forth in section 15A.083, subdivision 5, which becomes effective July 1, 1977.*"

Page 1, line 22, strike "*referees*" and insert "*referee*"

Page 2, line 6, strike "*such*" and insert "*the*"

Page 2, line 14, strike "*a*" and insert "*the*"

Page 2, line 15, strike "*said*" and insert "*the*"

Page 2, line 16, strike "*such*"

Page 2, line 18, strike "*a*" and insert "*the*"

Page 2, line 19, strike "*such*" and insert "*the*"

Page 2, line 21, strike "*such*"

Page 2, line 22, strike the comma and insert a period

Page 2, line 23, strike "*and said*" and insert "*The*"

Page 2, lines 23 and 24, strike "*such*" and insert "*the*"

Page 2, line 29, strike "*said referees*" and insert "*the referee*"

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. 728: A bill for an act relating to corrections; prescribing powers of probation officers; providing for reimbursement to counties for probation services; prescribing duties of the commissioner for parole and probation; authorizing disposition of juvenile

offenders; authorizing the sealing of criminal records; authorizing certain investigations; authorizing accounts of funds of inmates; clarifying powers of counties under and procedures for withdrawal from community corrections programs; amending Minnesota Statutes 1976, Sections 242.09; 242.10; 242.14; 242.18; 242.31; 242.46, Subdivision 3; 243.23; 260.311, Subdivision 5; 401.02, by adding subdivisions; 401.04; 401.08, Subdivision 1; 401.13; and 401.16; repealing Minnesota Statutes 1976, Sections 242.01; 242.02; 242.03; 242.12; 242.13; 242.15; 242.16; 242.17; 242.19, Subdivision 1; 242.25; 242.26; 242.27; 242.28; 242.29; 242.30; 242.33; 242.34; 242.35; 242.36; 242.38; and 242.46, Subdivisions 1 and 2.

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

Page 2, line 29, strike "*this*" and insert "*a hearing*"

Page 5, line 16, after "*information,*" insert "*complaint,*"

Page 5, line 16, after "*appeal*" insert a comma

Page 5, line 31, strike "*such*"

Page 6, line 9, strike "*the*" and insert "*any*"

Page 7, line 4, strike "*Any*" and insert "*An*"

Page 7, line 9, strike "*shall*" and insert "*may*"

Page 7, line 10, strike the comma

Page 7, line 11, strike "*during such times that*" and insert "*in a local detention facility convenient to the place of the hearing when*"

Page 7, line 12, strike "*, in a local detention facility*"

Page 7, strike line 13 except for the period

Page 8, line 26, strike "*general or*"

Page 9, line 3, after the period, insert "*No probationer or parolee shall be detained more than 72 hours, exclusive of legal holidays, Saturdays and Sundays, pursuant to this subdivision without being provided with the opportunity for a hearing before the court or the board.*"

Page 9, line 16, strike "*such*"

Page 9, line 20, strike "*such*"

Page 9, line 22, strike "*such*"

Page 12, line 15, strike "*such*" and insert "*the*"

Page 12, line 17, 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

S. F. No. 1354: A bill for an act relating to obscenity; prohibiting the promotion or employment of minors as models alone or with others in sexual performances for purposes of preparing an obscene work; prescribing penalties; amending Minnesota Statutes 1976, Chapter 617, by adding a section.

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

Page 1, line 21, after "*of*" insert "*visual or*"

Page 1, line 23, after "*conduct*" insert "*as*"

Page 2, line 3, after "*to*" insert "*pedophiles or to*"

Page 2, line 4, strike "*or*"

Page 2, line 5, strike "*pedophiles*"

Page 2, line 5, strike "*sexual conduct in a*"

Page 2, line 6, strike "*way,*" and insert "*sexual conduct*"

Page 2, line 9, after "*find*" insert a colon

Page 2, line 11, after "*to*" insert "*pedophiles or to*"

Page 2, line 12, strike "*or that the work taken as a whole appeals to the*" and insert "*of the average person;*"

Page 2, line 13, strike "*prurient interest in sex of pedophiles*"

Page 2, line 14, strike "*in a*"

Page 2, line 14, strike "*way,*"

Page 2, line 15, after "*(f)*" insert a semicolon

Page 2, line 29, strike "*as an act of sexual stimulation*"

Page 2, strike line 30 except for the period

Page 2, line 31, strike "*, and*" and insert "*or*"

Page 3, line 1, strike "*or spread eagle exposure of female*"

Page 3, strike line 2 except for the period

Page 3, line 9, after "*2.*" insert "[USE OF MINOR.]"

Page 3, line 14, strike "*Subd. 3.*"

Page 3, line 14, after "*of*" insert "*this*"

Page 3, line 14, strike "*2*"

Page 3, line 14, strike "*gross*" and insert "*felony*"

Page 3, strike line 15 except for the period

Page 3, after line 15, insert:

"*Subd. 3. [OPERATION OR OWNERSHIP OF BUSINESS.]*

A person who owns or operates a business knowing an obscene work, as defined in this section, is disseminated therein, is guilty of a felony.

Subd. 4. [DISSEMINATION.] A person who, knowing its content and character, disseminates for profit an obscene work, as defined in this section, is guilty of a misdemeanor."

Amend the title as follows:

Page 1, line 5, after the first semicolon insert "prohibiting the ownership or operation of a business which disseminates certain obscene works; prohibiting the dissemination of certain obscene works;"

And when so amended the bill do pass. Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration. Mr. Coleman moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Laufenburger from the Committee on Employment, to which was referred

S. F. No. 960: A bill for an act relating to worker's compensation; including legislators in coverage; requiring owners to elect non-coverage; increasing benefit levels; vesting certain benefits; excluding certain employment; regulating attorney's fees; providing for depending surviving spouses; providing for supplemental benefits; altering notice requirements; providing for adjustments to benefit payments; amending Minnesota Statutes 1976, Sections 176.011, Subdivisions 9 and 11a; 176.012; 176.021, Subdivision 3; 176.041, Subdivision 1; 176.051; 176.061, Subdivisions 1 and 2; 176.101; 176.111, Subdivisions 11 and 21; 176.132, Subdivision 1; 176.141; 176.215, by adding a subdivision; 176.221, Subdivision 1; 176.511, Subdivision 3; 176.645; and Chapter 176, by adding a section; repealing Minnesota Statutes 1976, Sections 79.30 and 176.185, Subdivision 8.

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

Page 1, after line 21, insert a section to read:

"Section 1. Minnesota Statutes 1976, Chapter 79, is amended by adding a section to read:

[79.095] [APPOINTMENT OF ACTUARY] *The commissioner shall employ the services of a casualty actuary whose duties shall include but not be limited to investigation of complaints by insured parties relative to rates, rate classifications, or discriminatory practices of an insurer."*

Page 2, line 15, after "corporation" insert "except an officer of a family farm corporation as defined in section 500.24, subdivision 1, clause (c)"

Page 3, line 32, strike "worker's compensation court of"

Page 4, line 1, strike "appeals" and insert "trier of fact"

Page 4, line 4, strike "worker's compensation"

Page 4, line 5, strike "court of appeals" and insert "trier of fact"

Page 4, line 14, strike "members of the employer's immediate family" and insert "*any spouse, parent, or child, regardless of age, of a farmer employed by the farmer, or any executive officer of a family farm corporation as defined in section 500.24, subdivision 1, or any spouse, parent or child, regardless of age, of such an officer employed by that family farm corporation.*"

Page 4, strike lines 19 to 22

Page 4, line 28, strike "including" and insert "*executive officer of a family farm corporation as defined in section 500.24, subdivision 1, clause (c), and the spouse, parent, or child, regardless of age, of the farm owner or farm owners or executive officer and working therefor, or*"

Page 4, line 31, strike "or"

Page 4, line 31, after "partners" insert "*, or corporation*"

Page 4, line 32, strike "come" and insert "*bring themselves, an executive officer, or a spouse, parent, or child*"

Page 5, line 4, strike "or" and insert a comma

Page 5, line 4, after "partners" insert "*, or corporations*"

Page 5, line 26, after "employee" insert "*and employer*"

Page 6, line 18, after the period insert "*In the event that an employee's death is not compensable under this chapter,*"

Page 6, line 20, after "dependents" insert "*under this chapter*"

Page 6, line 20, after the second "or" insert "*, if none, in his*"

Page 6, line 20, strike "of" and insert "*the disability can be ascertained.*"

Page 6, line 21, strike "injury"

Page 6, line 21, strike "such" and insert "*this*"

Page 7, line 4, strike the comma and insert "*; partners engaged in any farm operation and the spouses, parents, and children, regardless of age, of any of the partners;*"

Page 7, line 5, strike everything after the semicolon

Page 7, lines 6 to 10, strike the new language and insert "*any spouse, parent or child, regardless of age of an executive officer of a family farm corporation as defined in section 500.24, subdivision 1, employed by that family farm corporation;*"

Page 8, line 1, after the period insert "*This chapter does not apply to those persons employed by a corporation where those persons are related by blood or marriage, within the third degree of kindred according to the rules of civil law, to all of the officers of the corporation, and if the corporation files a written election with the commissioner of labor and industry to have those persons excluded from this chapter. This chapter does not apply to a nonprofit association which does not pay more than \$500 in salary or wages in a year.*"

Page 8, line 5, strike the new language

Page 8, lines 14 to 17, restore the stricken language

Page 8, line 18, strike "a family farm" and insert "*any farm operation*"

Page 8, line 18, strike "*or family farm*"

Page 8, line 19, strike "*corporation*"

Page 8, line 22, after the period insert:

"For purposes of this section farm workers shall not include any spouse, parent or child, regardless of age, of any farmer or of any partner in a farm operation or of any officer of a family farm corporation as defined in section 500.24, subdivision 1, nor shall it include other farmers in the same community or members of their family exchanging work with the farmer employer or family farm corporation operator."

Page 8, line 32, strike "*or his designee*"

Page 9, line 13, after "and" insert "*up to*"

Page 9, line 25, strike "the department of"

Page 9, line 26, strike "*or his delegate*"

Page 9, line 26, strike "*in charge of worker's compensation*"

Page 10, after line 2 insert:

"Sec. 10. Minnesota Statutes 1976, Section 176.081, Subdivision 3, is amended to read:

Subd. 3. An employee who is dissatisfied with his attorney fees, may file an application for review by the ~~deputy commissioner of the department of labor and industry in charge of worker's compensation~~. Such application shall state the basis for the need of review and whether or not a hearing is requested. A copy of such application shall be served upon the attorney for the employee by the ~~deputy commissioner~~ and if a hearing is requested by either party, the matter shall be set for hearing. The notice of hearing shall be served upon known interested parties. The attorney for the employee shall be served with a notice of the hearing. The ~~deputy commissioner of the department of labor and industry in charge of worker's compensation~~ shall have the authority to raise the question of the issue of the attorney fees at any time upon his own motion and shall have continuing jurisdiction over attorney fees.

Sec. 11. Minnesota Statutes 1976, Section 176.081, Subdivision 4, is amended to read:

Subd. 4. The review of a determination by the ~~deputy commissioner of the department of labor and industry in charge of worker's compensation~~ shall be only by supreme court by certiorari upon the ground that is arbitrary and unwarranted by the evidence. There shall be no review under sections 176.421 and 176.442.

Sec. 12. Minnesota Statutes 1976, Section 176.081, Subdivision 6, is amended to read:

Subd. 6. The deputy commissioner of the department of labor and industry in charge of worker's compensation may prescribe reasonable and proper rules and regulations to effect his and the division's obligations under this section without regard to the joint prescription required under section 175.17, subdivision 3."

Page 10, line 13, strike "*period from January 1, 1978, to December*" and insert "*year commencing October 1, 1977, and annually thereafter*"

Page 10, line 14, strike "*31, 1978*"

Page 10, line 14, strike "*not*"

Page 10, line 15, strike "*less than*"

Page 10, line 15, strike "*for the period*" and insert "*as calculated on or before July 1 of the preceding year.*"

Page 10, strike lines 16 to 29

Page 16, line 4, strike "*isles langerhar*" and insert "*islets of Langerhans*"

Page 21, after line 27, insert:

"Sec. 14. Minnesota Statutes 1976, Section 176.111, Subdivision 1, is amended to read:

176.111 [DEPENDENTS, ALLOWANCES.] Subdivision 1. [PERSONS WHOLLY DEPENDENT, PRESUMPTION.] For the purposes of this chapter the following persons are conclusively presumed to be wholly dependent:

(a) wife a spouse, unless it be shown that she that spouse was voluntarily living apart from his or her husband spouse at the time of his the injury or death;

(b) children under 18 years of age, or a child under the age of 21 years who is regularly attending as a full time student at a high school, college, or university, or regularly attending as a full time student in a course of vocational or technical training.

Sec. 15. Minnesota Statutes 1976, Section 176.111, Subdivision 6, is amended to read:

Subd. 6. [SPOUSE, NO DEPENDENT CHILD.] If the deceased employee leave leaves a widow dependent surviving spouse and no dependent child, there shall be paid to the widow dependent surviving spouse 50 percent of the daily wage at the time of the injury of the deceased. "

Page 23, line 11, strike "*who are not*"

Page 23, line 12, strike "*being supported by*" and insert "*if the support of the children is not the responsibility of*"

Page 23, strike section 12

Page 24, after line 12, insert:

"Sec. 19. Minnesota Statutes 1976, Section 176.132, Subdivision 2, is amended to read:

Subd. 2. [AMOUNT.] (a) The supplementary benefit payable under this section shall be the difference between the amount the employee receives on or after January 1, 1976, under section 176.101, subdivision 1 or subdivision 4, and 50 60 percent of the statewide average weekly wage as computed annually.

(b) In the event an eligible recipient is currently receiving no compensation or is receiving a reduced level of compensation because of a credit being applied as the result of a third party liability or damages, the employer or insurer shall compute the offset credit as if the individual were entitled to the actual benefit or 50 60 percent of the statewide average weekly wage as computed annually, whichever is greater. If this results in the use of a higher credit than otherwise would have been applied and the employer or insurer becomes liable for compensation benefits which would otherwise not have been paid, the additional benefits resulting shall be handled according to this section.

(c) In the event an eligible recipient is receiving no compensation or is receiving a reduced level of compensation because of a valid agreement in settlement of a claim, no supplementary benefit shall be payable under this section.

(d) In the event an eligible recipient is receiving no compensation or is receiving a reduced level of compensation because of prior limitations in the maximum amount payable for permanent total disability or because of reductions resulting from the simultaneous receipt of old age or disability benefits, the supplementary benefit shall be payable for the difference between the actual amount of compensation currently being paid and 50 60 percent of the statewide average weekly wage as computed annually.

(e) In the event that an eligible recipient is receiving simultaneous benefits from any government disability program, the amount of supplementary benefits payable under this section shall be reduced by five percent.

Sec. 20. Minnesota Statutes 1976, Section 176.132, Subdivision 3, is amended to read:

Subd. 3. [PAYMENT.] The payment of supplementary benefits shall be the responsibility of the employer or insurer currently paying total disability benefits, or any other payer of such benefits. When the eligible individual is not currently receiving benefits because the total paid has reached the maximum prescribed by law prior to March 1, 1974, then supplementary benefits will be paid directly to the individual by the administrators of the special compensation fund the employer and insurer shall, nevertheless, pay the supplementary benefits that are prescribed by law. The employer or insurer paying the supplementary benefit shall have the right of full reimbursement from the special compensation fund for the amount of such benefits paid."

Page 24, line 27, restore the stricken language

Page 24, line 27, strike the reinstated "90" and insert "180"

Page 24, lines 27 and 28, strike the new language

Page 25, lines 4 to 7, restore the stricken language

Page 25, line 5, strike the reinstated "90" and insert "180"

Page 25, strike lines 19 to 32 and insert:

"Sec. 23. Minnesota Statutes 1976, Section 176.221, is amended by adding a subdivision to read:

Subd. 7. Any payment of compensation not made when due shall bear interest at the rate of eight percent per annum from the date due to the date the payment is made."

Page 26, line 23, restore the stricken language and strike the new comma

Page 26, line 24, strike the new language

Page 27, line 1, after the period insert "*In no event may an adjustment increase exceed six percent a year. In those instances where the adjustment under the formula of this section would exceed this maximum, the increase shall be deemed to be six percent.*"

Page 27, after line 7, insert:

"Sec. 26. [STUDY COMMITTEE ON WORKERS' COMPENSATION.] *Subdivision 1. A study committee is hereby created to study and report on workers' compensation insurance and benefits.*

Subd. 2. The committee shall consist of two members of the house of representatives appointed by the speaker, two members of the senate appointed by the subcommittee on committees, the commissioner of labor and industry or his designee, the commissioner of insurance or his designee, two citizens appointed by the governor, two representatives of the insurance industry appointed by the governor, two employer representatives appointed by the governor and two labor representatives appointed by the governor. Members shall serve until the expiration date of this section. The compensation of non-legislator members, their removal and the filling of vacancies shall be provided in section 15.059.

Subd. 3. The committee shall study all matters relating to workers' compensation, including benefits, awards, cost of health care and rate making.

Subd. 4. The committee shall report its findings and recommendations to the governor and legislature not later than December 15, 1977 and shall supplement its findings and recommendations not later than June 30, 1978. The report shall recommend any necessary changes in laws in order to improve the workers' compensation programs in the state. The report shall also recommend methods to meet future compensation needs and make

recommendations for improvement in the rate setting structure as well as other problems with the workers' compensation laws.

Subd. 5. The committee shall hold meetings and hearings at the times and places it designates to accomplish the purposes set forth in this section. It shall select a chairman and other officers from its membership as it deems necessary.

Subd. 6. The legislative coordinating commission shall supply the committee with the necessary staff, office space and administrative services.

Subd. 7. [APPROPRIATION.] There is appropriated from the general fund to the legislative coordinating commission the sum of \$ _____ for the period ending June 30, 1978 to pay the expenses incurred by the committee."

Page 27, line 8, after the semicolon insert "176.111, Subdivision 13;"

Page 27, line 10, strike "3, 6, and 15" and insert "4, 7, and 22"

Page 27, line 11, strike "9" and insert "13"

Page 27, line 13, strike "18" and insert "25"

Page 27, line 15, after the period insert "The provisions of section 26 shall expire June 30, 1978."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "compensation;" insert "permitting the commissioner of insurance to employ an actuary;"

Page 1, line 4, after "non-coverage;" insert "excluding certain family corporations and certain nonprofit associations from coverage;"

Page 1, line 10, after "payments;" insert "creating a worker's compensation study committee; appropriating money;"

Page 1, line 13, strike "and 2" and insert ", 2, 3, 4 and 6"

Page 1, line 14, after "Subdivisions" insert "1, 6,"

Page 1, line 15, strike "Subdivision 1" and insert "Subdivisions 1, 2 and 3"

Page 1, line 16, strike "Subdivision 1" and insert "by adding a subdivision"

Page 1, line 17, strike "176" and insert "79"

Page 1, line 19, after "79.30" insert "; 176.111, Subdivision 13;"

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. 542 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
		542	1384		

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 542 be amended as follows:

Page 2, line 10, delete "all of"

Page 2, line 11, delete "3" and insert "4"

Page 2, line 13, before "The" insert "Except as provided in section 4,"

Page 2, line 17, delete "except the"

Page 2, delete lines 18 and 19 and insert ", including the power:"

Page 2, line 21, delete "consistent with law" and insert "inconsistent with law or city ordinance"

Page 2, line 26, after the period insert "All such employees, except transfer employees, shall be covered as coordinated members of the public employees retirement association."

Page 2, delete lines 27 to 30

Page 2, line 31, delete everything before "The" and insert

"(3) To lease, construct, reconstruct, purchase, repair, maintain, administer, and operate existing and future public housing facilities, and programs providing housing and services to persons of low and moderate income.

(4)"

Page 3, line 1, delete "previously" and delete "by" and after "incurred" insert "prior to the effective date of this act"

Page 3, line 10, after "Paul" insert "prior to the effective date of this act"

Page 3, line 13, delete "3" and insert "4"

Page 3, after line 13, insert

"Sec. 4. Notwithstanding the provisions of any other law, the agency shall not have the power:

(1) To levy and collect taxes or special assessments with respect to any existing or future public housing.

(2) To make any final determination, by rule or otherwise, or to expend any funds or incur any obligations with respect to or for the purpose of any construction, reconstruction, purchase, site selection, site acquisition, clearance and preparation, or de-

termination of need for public housing without approval by the city council.

(3) To enact any rule or regulation, perform any act, expend any funds or incur any obligation inconsistent with law or city ordinance."

Renumber the remaining section

And when so amended, H. F. No. 542 will be identical to S. F. No. 1384 and further recommends that H. F. No. 542 be given its second reading and substituted for S. F. No. 1384 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. 1003 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
		1003	753		

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1003 be amended as follows:

Page 1, line 22, strike "such" and insert "the" and strike "issues" and insert "shall issue"

Page 2, line 7, strike "regulations" and insert "rules"

Page 2, line 17, strike "At the"

Page 2, strike line 18

Page 2, line 19, strike everything before "the"

Page 2, line 23, strike "5" and insert "16" and strike "6" and insert "17"

Page 2, line 25, strike "Beginning with the year 1974,"

Page 3, line 8, strike "annual"

Page 3, line 11, after "year" insert "or years"

Page 3, line 12, strike "year" and insert "period"

Page 3, lines 16 and 17, strike "calendar year in" and insert "period for" and after "which" in line 17, insert "it is"

And when so amended, H. F. No. 1003 will be identical to S. F. No. 753 and further recommends that H. F. No. 1003 be given its second reading and substituted for S. F. No. 753 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. 888, 1172, 970, 320 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
888	1168			320	297
1172	1082				
970	822				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 888 be amended as follows:

Page 1, line 13, after "may" insert "be permitted to"

Page 1, line 14, before "be" insert "to"

Page 1, line 14, before "introduce" insert "to"

Page 1, line 15, before "participate" insert "to"

And when so amended, H. F. No. 888 will be identical to S. F. No. 1168 and further recommends that H. F. No. 888 be given its second reading and substituted for S. F. No. 1168 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1172 be amended as follows:

Amend the title as follows:

Page 1, line 2, after "agriculture;" insert "clarifying the commissioner's authority to establish certain"

Page 1, line 2, after "produce" strike the semicolon

Page 1, line 2, after "inspection" strike the semicolon

Page 1, line 3, strike "; potato grading; labeling and inspection" and insert "to grade potatoes"

And when so amended, H. F. No. 1172 will be identical to S. F. No. 1082 and further recommends that H. F. No. 1172 be given its second reading and substituted for S. F. No. 1082 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 970 be amended as follows:

Page 1, line 23, delete "17" and insert "16"

And when so amended, H. F. No. 970 will be identical to S. F. No. 822 and further recommends that H. F. No. 970 be given its

second reading and substituted for S. F. No. 822 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 320 be amended as follows:

Page 1, line 10, strike "voluntary"

Page 1, delete lines 13 and 14, and insert "*includes an obligatory charge assessed to customers, guests, or patrons which might*"

Page 1, line 19, delete "such" and insert "the"

Delete page 2, line 7 to page 3, line 7 and insert:

"Subd. 2. Any gratuity received by an employee or deposited in or about a place of business for personal services rendered by an employee is the sole property of the employee. No employer shall require an employee to contribute or share a gratuity received by the employee with the employer or other employees or to contribute any or all of the gratuity to a fund or pool operated for the benefit of the employer or other employees, provided that nothing in this section shall prevent employees in an establishment from voluntarily agreeing among themselves and without employer participation to distribute gratuities among all or some portion of the employees in the establishment.

Subd. 3. No employer shall directly or indirectly credit, apply or authorize gratuities towards payment of minimum wage except as provided for by section 177.28.

Sec. 3. Minnesota Statutes 1976, Section 177.28, Subdivision 4, is amended to read:

Subd. 4. An employee who receives \$20 or more per month in gratuities is a tipped employee. ~~His~~ An employer is entitled to a credit in an amount up to 25 percent of the minimum wage which a tipped employee receives. ~~Said~~ The credit against the wages due for gratuities received by a tipped employee may not be taken unless ~~at the time the credit is taken the employer has received a signed statement for that pay period from each tipped employee which states that he the employee did receive and retain during the pay period all gratuities in an amount equal to or greater than twice the credit applied against the wages due by his the employer.~~ ~~Such~~ These statements shall be maintained by the employer as a part of ~~his the~~ business records of the employer .

Sec. 4. [EFFECTIVE DATE.] *This act is effective June 1, 1977.*"

Further, amend the title as follows

Line 2, delete "reduction" and insert "a change in the application"

And when so amended, H. F. No. 320 will be identical to S. F. No. 297 and further recommends that H. F. No. 320 be given its second reading and substituted for S. F. No. 297 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, makes the following report:

That the permanent rules of the Senate appearing in the Journal for the 21st day be amended as follows:

Rule 62, "Stenographer I" classification, under "complement" strike "22" and insert "23"; under "salary per day" strike "14" before "@\$27.98" and insert "15"

Report adopted.

SECOND READING OF SENATE BILLS

S. F. Nos. 1262 and 850 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 542, 1003, 888, 1172, 970 and 320 were read the second time.

H. F. Nos. 971, 242, 79, 193 and 728 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Strand moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1491. The motion prevailed.

Mr. Purfeerst moved that S. F. No. 1504 be withdrawn from the Committee on Agriculture and Natural Resources and re-referred to the Committee on Rules and Administration. The motion prevailed.

Mr. Hughes moved that the report from the Committee on Education, reported May 2, 1977, 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 May 2, 1977, the Senate, having given its advice, do now consent to and confirm the appointment of:

STATE BOARD FOR COMMUNITY COLLEGES

Mrs. Kathryn C. Vander Kooi, Route 1, Luverne, Rock County, effective May 3, 1976, for a term expiring July 1, 1977.

The motion prevailed. So the appointment was confirmed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to 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 that the House refuses to concur in the Senate amendments to House File No. 550.

H. F. No. 550: A bill for an act relating to the operation of government; providing for aids to education, tax levies, and the distribution of tax revenues; providing additional aids and levies for school districts with declining enrollment; eliminating foundation aid for summer programs for non-handicapped children; changing the method of distributing the agricultural tax credit; eliminating state aid for community education; establishing formulas for current funding of adult and secondary vocational education; creating a legislative school finance study commission; providing special retirement privileges for experienced teachers who teach part time or take an extended leave of absence; appropriating money; amending Minnesota Statutes 1976, Sections 120.10, Subdivision 1; 120.17, Subdivisions 1a and 5a; 121.11, Subdivision 5; 121.902; 121.914, Subdivisions 1, 2, 3 and 4; 121.917, Subdivisions 1 and 2; 123.335, Subdivision 2; 123.39, Subdivision 5; 123.351, Subdivision 5; 123.581, Subdivisions 1, 2, 3 and 6; 123.71, Subdivisions 1 and 2; 123.742, Subdivision 1; 124.11; 124.14, Subdivision 1; 124.17, Subdivisions 1, 2, and by adding a subdivision; 124.19, Subdivision 1; 124.20; 124.212, Subdivisions 1, 3a, 6b, 7b and 8a, and by adding a subdivision; 124.213; 124.222, Subdivisions 1a, 1b, 2a, 3, 6, and by adding a subdivision; 124.223; 124.26, Subdivisions 1 and 4; 124.271, Subdivisions 2 and 5; 124.30, Subdivision 5; 124.32; 124.38, Subdivision 7; 124.562, Subdivision 1; 124.565, Subdivisions 1 and 3; 124.57; 124.572; 124.573; 128A.02, Subdivisions 2 and 3; 128A.06; 273.132; 273.138, Subdivision 3; 275.125, Subdivisions 2a, 8, 9, 9a, and 13; and 475.61, Subdivision 4; amending Minnesota Statutes 1976, Chapter 136A, by adding a section; Chapter 354, by adding sections and Chapter 354A, by adding sections; amending Laws 1967, Chapter 822, Section 7, as amended; Laws 1969, Chapter 775, Section 4, Subdivision 2, as amended; Laws 1969, Chapter 1060, Section 7, as amended; and Laws 1976, Chapter 271, Section 94; repealing Minnesota Statutes 1976, Sections 124.215, Subdivision 2a; 124.222, Subdivisions 4 and 5; 124.25; 124.271, Subdivisions 1, 2, 3, 4 and 5; 124.30; 124.562, Subdivision 6; 124.563, Subdivision 4; 124.565, Subdivision 2; 124.57, Subdivisions 1 and 3, as added; 473.633; and 473.635.

And the House respectfully requests that a Conference Committee of five members be appointed thereon.

Eken, Johnson, Berg, Tomlinson and Esau have been appointed as such committee on the part of the House.

House File No. 550 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 May 3, 1977

Mr. Merriam moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 550, and that a Conference Committee of 5 members be appointed by the Subcommittee 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. 343, 801 and 405.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 3, 1977

FIRST READING OF HOUSE BILLS

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

H. F. No. 343: A bill for an act relating to obscenity; prohibiting the dissemination of obscene photographs or other similar visual representations which depict minors involved in scenes of patently offensive sexual conduct; prescribing penalties; amending Minnesota Statutes 1976, Chapter 617, by adding a section.

Referred to the Committee on Rules and Administration.

H. F. No. 801: A bill for an act relating to crimes; specifying certain acts which constitute theft in relation to cable television services and systems; providing penalties; amending Minnesota Statutes 1976, Section 609.52, Subdivision 2; and Chapter 609, by adding a section.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 797 now on the Calendar.

H. F. No. 405: A bill for an act relating to gambling; authorizing the operation of certain gambling devices by licensed organizations; providing a penalty; amending Minnesota Statutes 1976, Sections 325.54, Subdivision 1; 340.14, Subdivision 2; 609.75; 609.76; Chapters 349, by adding a section; and 609, by adding a section.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 399 now on General Orders.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Davies moved that S. F. No. 1354 and the committee report thereon be taken from the table and referred to the Committee on Rules and Administration for comparison with H. F. No. 343. The motion prevailed.

Mr. Coleman moved to amend Senate Rule 62 in accordance with the committee report from the Committee on Rules and Administration, adopted by the Senate May 3, 1977. 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 salary heretofore fixed:

Susan Larson, Stenographer I classification, effective April 27, 1977

Rev. Roger F. Carroll, Chaplain, effective April 23, 1977

Rev. John Donahue, Chaplain, effective May 5, 1977

Harry Burns, Page classification, effective April 27, 1977

Susan Earp, Page classification, effective April 27, 1977

Judith Walk transferred from Sergeant classification to Clerk-Typist I classification, effective April 21, 1977

Mary Kennedy transferred from Clerk Typist I classification to Clerk-Typist II classification, effective April 21, 1977

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 to take up the Senate Calendar and waive the lie-over requirement. The motion prevailed.

THIRD READING OF SENATE BILLS

S. F. No. 930: A bill for an act relating to unemployment compensation; providing for the assignment of veterans employment representatives; amending Minnesota Statutes 1976, Section 268.14, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 5, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Lessard	Penny	Solon
Ashbach	Frederick	Lewis	Perpich	Spear
Bang	Gearty	Luther	Peterson	Staples
Benedict	Hanson	McCutcheon	Pillsbury	Stokowski
Bernhagen	Hughes	Menning	Purfeerst	Strand
Borden	Humphrey	Merriam	Renneke	Stumpf
Chmielewski	Johnson	Milton	Schaaf	Tennessee
Coleman	Keefe, J.	Nelson	Schmitz	Ueland, A.
Davies	Kleinbaum	Ogdahl	Schrom	Ulland, J.
Dieterich	Knoll	Olhoff	Setzpfandt	Wegener
Dunn	Laufenburger	Olson	Sikorski	Willet

Those who voted in the negative were:

Brataas	Gunderson	Knutson	Nichols	Sieloff
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So the bill passed and its title was agreed to.

S. F. No. 1135: A bill for an act relating to motor vehicle carriers; requiring insurance or bond before the issuance of a certificate or permit to a motor carrier; providing for suspension and revocation of certificate or permit for failure to maintain insurance or other security; permitting lesser registration fees for certain interstate motor carriers; amending Minnesota Statutes 1976, Sections 221.141, Subdivision 1; and 221.64.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lessard	Penny	Spear
Ashbach	Gearty	Lewis	Perpich	Staples
Bang	Gunderson	Luther	Peterson	Stokowski
Benedict	Hanson	McCutcheon	Pillsbury	Strand
Bernhagen	Hughes	Menning	Purfeerst	Stumpf
Borden	Humphrey	Merriam	Renneke	Tennessee
Brataas	Johnson	Milton	Schaaf	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Schmitz	Wegener
Davies	Kleinbaum	Nichols	Setzpfandt	Willet
Dieterich	Knoll	Ogdahl	Sieloff	
Dunn	Knutson	Olhoff	Sikorski	
Engler	Laufenburger	Olson	Solon	

Mr. Ueland, A. voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 403: A bill for an act relating to licensing boards; providing for reissuance of licenses from the board of architecture, engineering, land surveying and landscape architecture; amending Minnesota Statutes 1976, Section 326.11, Subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lessard	Penny	Solon
Ashbach	Gearty	Lewis	Perpich	Staples
Bang	Gunderson	Luther	Peterson	Stokowski
Benedict	Hanson	McCutcheon	Pillsbury	Strand
Bernhagen	Hughes	Menning	Purfeerst	Stumpf
Borden	Humphrey	Merriam	Renneke	Tennessee
Brataas	Johnson	Milton	Schaaf	Ueland, A.
Chmielewski	Keefe, J.	Nelson	Schmitz	Ulland, J.
Davies	Kleinbaum	Nichols	Schrom	Vega
Dieterich	Knoll	Ogdahl	Setzepfandt	Wegener
Dunn	Knutson	Olhoff	Sieloff	Willet
Engler	Laufenburger	Olson	Sikorski	

So the bill passed and its title was agreed to.

S. F. No. 583: A bill for an act relating to insurance companies; prescribing penalties for violation of certain filing requirements; amending Minnesota Statutes 1976, Chapter 72A, by adding a section; repealing Minnesota Statutes 1976, Section 72A.06.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lewis	Perpich	Spear
Ashbach	Gunderson	Luther	Peterson	Staples
Bang	Hanson	McCutcheon	Pillsbury	Stokowski
Benedict	Hughes	Menning	Purfeerst	Strand
Bernhagen	Humphrey	Merriam	Renneke	Stumpf
Borden	Johnson	Milton	Schaaf	Tennessee
Brataas	Keefe, J.	Nelson	Schmitz	Ueland, A.
Chmielewski	Kleinbaum	Nichols	Schrom	Ulland, J.
Davies	Knoll	Ogdahl	Setzepfandt	Vega
Dieterich	Knutson	Olhoff	Sieloff	Wegener
Dunn	Laufenburger	Olson	Sikorski	Willet
Engler	Lessard	Penny	Solon	

So the bill passed and its title was agreed to.

S. F. No. 1290: A bill for an act relating to juveniles; prescribing venue for neglect cases; amending Minnesota Statutes 1976, Section 260.121, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Borden	Dunn	Hanson	Kleinbaum
Ashbach	Brataas	Engler	Hughes	Knutson
Bang	Chmielewski	Frederick	Humphrey	Laufenburger
Benedict	Davies	Gearty	Johnson	Lessard
Bernhagen	Dieterich	Gunderson	Keefe, J.	Lewis

Luther	Nichols	Pillsbury	Sieloff	Stumpf
McCutcheon	Ogdahl	Purfeerst	Sikorski	Tennessee
Menning	Olhoft	Renneke	Solon	Ueland, A.
Merriam	Olson	Schaaf	Spear	Ulland, J.
Milton	Penny	Schmitz	Staples	Vega
Moe	Perpich	Schrom	Stokowski	Wegener
Nelson	Peterson	Setzepfandt	Strand	Willet

So the bill passed and its title was agreed to.

S. F. No. 1291: A bill for an act relating to venue for cases involving maltreatment of minors; amending Minnesota Statutes 1976, Chapter 627, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gerty	Luther	Peterson	Stokowski
Ashbach	Gunderson	McCutcheon	Strand	Stumpf
Bang	Hanson	Menning	Purfeerst	Tennessee
Benedict	Hughes	Merriam	Renneke	Ueland, A.
Bernhagen	Humphrey	Milton	Schaaf	Ulland, J.
Borden	Johnson	Moe	Schmitz	Vega
Brataas	Keefe, J.	Nelson	Schrom	Wegener
Chmielewski	Kleinbaum	Nichols	Setzepfandt	Willet
Davies	Knoll	Ogdahl	Sieloff	
Dieterich	Knutson	Olhoft	Sikorski	
Dunn	Laufenburger	Olson	Solon	
Engler	Lessard	Penny	Spear	
Frederick	Lewis	Perpich	Staples	

So the bill passed and its title was agreed to.

S. F. No. 442: A bill for an act relating to county planning and zoning; providing for enforcement of certain subdivision regulations by providing for review of conveyancing instruments by an administrative officer after recording; amending Minnesota Statutes 1976, Section 394.37, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lewis	Perpich	Staples
Ashbach	Gerty	Luther	Peterson	Stokowski
Bang	Gunderson	McCutcheon	Pillsbury	Strand
Benedict	Hanson	Menning	Purfeerst	Stumpf
Bernhagen	Hughes	Merriam	Renneke	Tennessee
Borden	Humphrey	Milton	Schaaf	Ueland, A.
Brataas	Johnson	Moe	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Schrom	Vega
Coleman	Kleinbaum	Nichols	Setzepfandt	Wegener
Davies	Knoll	Ogdahl	Sieloff	Willet
Dieterich	Knutson	Olhoft	Sikorski	
Dunn	Laufenburger	Olson	Solon	
Engler	Lessard	Penny	Spear	

So the bill passed and its title was agreed to.

S. F. No. 1338: A bill for an act relating to automobile insurance; clarifying certain ambiguous provisions in the Minnesota no-fault automobile insurance act; amending Minnesota Statutes 1976, Sections 65B.44, Subdivision 3; 65B.49, Subdivisions 4 and 6; 65B.51, Subdivision 1; and 65B.53, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Luther	Peterson	Stokowski
Ashbach	Gunderson	McCutcheon	Pillsbury	Strand
Bang	Hanson	Menning	Purfeerst	Stumpf
Benedict	Hughes	Merriam	Renneke	Tennessee
Bernhagen	Humphrey	Milton	Schaaf	Ueland, A.
Borden	Johnson	Moe	Schmitz	Ulland, J.
Brataas	Keefe, J.	Nelson	Schrom	Vega
Chmielewski	Kleinbaum	Nichols	Setzepfandt	Wegener
Davies	Knoll	Ogdahl	Sieloff	Willet
Dieterich	Knutson	Olhoff	Sikorski	
Dunn	Laufenburger	Olson	Solon	
Engler	Lessard	Penny	Spear	
Frederick	Lewis	Perpich	Staples	

So the bill passed and its title was agreed to.

S. F. No. 734: A bill for an act relating to counties; providing for business days and hours for county offices and emergency closings; amending Minnesota Statutes 1976, Section 373.052.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lewis	Perpich	Staples
Ashbach	Gearty	Luther	Peterson	Stokowski
Bang	Gunderson	McCutcheon	Pillsbury	Strand
Benedict	Hanson	Menning	Purfeerst	Stumpf
Bernhagen	Hughes	Merriam	Renneke	Tennessee
Borden	Humphrey	Milton	Schaaf	Ueland, A.
Brataas	Johnson	Moe	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Schrom	Vega
Coleman	Kleinbaum	Nichols	Setzepfandt	Wegener
Davies	Knoll	Ogdahl	Sieloff	Willet
Dieterich	Knutson	Olhoff	Sikorski	
Dunn	Laufenburger	Olson	Solon	
Engler	Lessard	Penny	Spear	

So the bill passed and its title was agreed to.

S. F. No. 581: A bill for an act relating to insurance; regulating

licensing procedures; amending Minnesota Statutes 1976, Section 60A.17, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lewis	Perpich	Staples
Ashbach	Gearty	Luther	Peterson	Stokowski
Bang	Gunderson	McCutcheon	Pillsbury	Strand
Benedict	Hanson	Menning	Purfeerst	Stumpf
Bernhagen	Hughes	Merriam	Renneke	Tennessee
Borden	Humphrey	Milton	Schaaf	Ueland, A.
Brataas	Johnson	Moe	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Schrom	Vega
Coleman	Kleinbaum	Nichols	Setzpfandt	Wegener
Davies	Knoll	Ogdahl	Sieloff	Willet
Dieterich	Knutson	Olhoft	Sikorski	
Dunn	Laufenburger	Olson	Solon	
Engler	Lessard	Penny	Spear	

So the bill passed and its title was agreed to.

S. F. No. 683: A bill for an act relating to the establishment of parks, playgrounds and scenic areas by the county of Anoka; amending Laws 1961, Chapter 209, Sections 1 and 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 5, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lewis	Perpich	Strand
Bang	Gunderson	Luther	Pillsbury	Stumpf
Benedict	Hanson	McCutcheon	Purfeerst	Tennessee
Bernhagen	Hughes	Menning	Renneke	Ueland, A.
Borden	Humphrey	Merriam	Schaaf	Ulland, J.
Brataas	Johnson	Milton	Schmitz	Vega
Chmielewski	Keefe, J.	Nelson	Sieloff	Wegener
Coleman	Kleinbaum	Nichols	Sikorski	Willet
Davies	Knoll	Ogdahl	Solon	
Dieterich	Knutson	Olhoft	Spear	
Dunn	Laufenburger	Olson	Staples	
Engler	Lessard	Penny	Stokowski	

Those who voted in the negative were:

Ashbach	Frederick	Peterson	Schrom	Setzpfandt
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So the bill passed and its title was agreed to.

S. F. No. 1309: 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 1976, Section 284.28; and Chapter 541, by adding a section; repealing Minnesota Statutes 1976, Sections 280.34; 284.09 and 284.22.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lewis	Perpich	Staples
Ashbach	Gearty	Luther	Peterson	Stokowski
Bang	Gunderson	McCutcheon	Pillsbury	Strand
Benedict	Hanson	Menning	Purfeerst	Stumpf
Bernhagen	Hughes	Merriam	Renneke	Tennessee
Borden	Humphrey	Milton	Schaaf	Ueland, A.
Brataas	Johnson	Moe	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Schrom	Vega
Coleman	Kleinbaum	Nichols	Setzepfandt	Wegener
Davies	Knoll	Ogdahl	Sieloff	Willet
Dieterich	Knutson	Olhoff	Sikorski	
Dunn	Laufenburger	Olson	Solon	
Engler	Lessard	Penny	Spear	

So the bill passed and its title was agreed to.

S. F. No. 912: A bill for an act relating to education; providing for the correction or elimination of erroneous, ambiguous, omitted and obsolete references and text; amending Minnesota Statutes 1976, Sections 120.10, Subdivision 3; 120.17, Subdivision 5a; 120.171; 120.66; 121.02, Subdivision 1; 121.09; 121.12; 121.21, Subdivision 6; 121.212, Subdivision 1; 121.28; 121.49; 121.86; 122.34; 123.34, Subdivisions 6, 8 and 10; 123.36, Subdivision 5; 123.37, Subdivisions 1 and 13; 123.39, Subdivision 6; 123.40, Subdivision 5; 123.58, Subdivisions 2, 4, 6 and 10; 123.581, Subdivisions 4 and 7; 123.69, Subdivision 2; 123.79, Subdivision 1; 124.09; 124.15, Subdivision 2; 124.17, Subdivision 2; 124.30, Subdivision 5; 124.38, Subdivision 10; 124.41, Subdivision 1; 124.47, Subdivision 1; 124.561, Subdivision 3; 129.05, Subdivision 3; 125.08; 125.12, Subdivisions 6b and 9; 125.183, Subdivision 5; 125.185, Subdivision 5; 136.09, Subdivision 3; 136.11, Subdivision 4; 136.141; 136.142, Subdivision 1; 136.145; 136.15; 136.31, Subdivision 2; 136A.142; 136A.17, Subdivision 1; 136A.172; 136A.173, Subdivision 1; 136A.174; 136A.175, Subdivision 4; 136A.176; 136A.177; 136A.178; 136A.179; 136A.28; 137.01, Subdivision 2; 275.09, Subdivision 4; 375.08; 375.14; 382.01; repealing Minnesota Statutes 1976, Sections 120.02, Subdivision 11; 121.16, Subdivision 2; 122.26; 124.562, Subdivision 6; 124.563, Subdivision 4; 136.87, Subdivision 3; Laws 1965, Chapter 705, Section 1, Subdivisions 12, 13, 14, 15, 16 and 17; Laws 1969, Chapter 699, Section 2; Laws 1969, Chapters 939 and 1110; and Laws 1971, Chapter 256.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lewis	Perpich	Staples
Ashbach	Gearty	Luther	Peterson	Stokowski
Bang	Gunderson	McCutcheon	Pillsbury	Strand
Benedict	Hanson	Menning	Purfeerst	Stumpf
Bernhagen	Hughes	Merriam	Renneke	Tennessee
Borden	Humphrey	Milton	Schaaf	Ueland, A.
Brataas	Johnson	Moe	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Schrom	Vega
Coleman	Kleinbaum	Nichols	Setzepfandt	Wegener
Davies	Knoll	Ogdahl	Sieloff	Willet
Dieterich	Knutson	Olhoft	Sikorski	
Dunn	Laufenburger	Olson	Solon	
Engler	Lessard	Penny	Spear	

So the bill passed and its title was agreed to.

S. F. No. 808: A bill for an act relating to education; authorizing certain teachers to take extended leaves of absence; providing for retirement benefits of teachers on leave; amending Minnesota Statutes 1976, Chapters 354, by adding a section; and 354A, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lewis	Perpich	Staples
Ashbach	Gearty	Luther	Peterson	Stokowski
Bang	Gunderson	McCutcheon	Pillsbury	Strand
Benedict	Hanson	Menning	Purfeerst	Stumpf
Bernhagen	Hughes	Merriam	Renneke	Ueland, A.
Borden	Humphrey	Milton	Schaaf	Ulland, J.
Brataas	Johnson	Moe	Schmitz	Vega
Chmielewski	Keefe, J.	Nelson	Schrom	Wegener
Coleman	Kleinbaum	Nichols	Setzepfandt	Willet
Davies	Knoll	Ogdahl	Sieloff	
Dieterich	Knutson	Olhoft	Sikorski	
Dunn	Laufenburger	Olson	Solon	
Engler	Lessard	Penny	Spear	

So the bill passed and its title was agreed to.

S. F. No. 1068: A bill for an act relating to children; reporting of maltreatment of minors; providing definitions; delineating reporting requirements; delineating the scope of the privacy attributed to records maintained by welfare agencies; providing for the destruction of certain records; amending Minnesota Statutes 1976, Section 626.556, Subdivisions 2, 3, 9, and 11, and by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lewis	Perpich	Staples
Ashbach	Gearty	Luther	Peterson	Stokowski
Bang	Gunderson	McCutcheon	Pillsbury	Strand
Benedict	Hanson	Menning	Purfeerst	Stumpf
Bernhagen	Hughes	Merriam	Renneke	Tennessee
Borden	Humphrey	Milton	Schaaf	Ueland, A.
Brataas	Johnson	Moe	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Schrom	Vega
Coleman	Kleinbaum	Nichols	Setzpfandt	Wegener
Davies	Knoll	Ogdahl	Sieloff	Willet
Dieterich	Knutson	Olhoft	Sikorski	
Dunn	Laufenburger	Olson	Solon	
Engler	Lessard	Penny	Spear	

So the bill passed and its title was agreed to.

S. F. No. 823: A bill for an act relating to mechanics liens; increasing the period in which notice must be given to the owner of improved real estate; amending the definition of owner; enlarging the circumstances in which notice is not required to be given; providing penalties; amending Minnesota Statutes 1976, Section 514.011, Subdivisions 2, 3 and 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Olson	Solon
Ashbach	Frederick	Lessard	Penny	Spear
Bang	Gearty	Lewis	Peterson	Staples
Benedict	Gunderson	Luther	Pillsbury	Stokowski
Bernhagen	Hanson	Menning	Purfeerst	Strand
Borden	Hughes	Merriam	Renneke	Stumpf
Brataas	Humphrey	Milton	Schaaf	Tennessee
Chmielewski	Johnson	Moe	Schmitz	Ueland, A.
Coleman	Keefe, J.	Nelson	Schrom	Ulland, J.
Davies	Kleinbaum	Nichols	Setzpfandt	Vega
Dieterich	Knoll	Ogdahl	Sieloff	Wegener
Dunn	Knutson	Olhoft	Sikorski	Willet

Messrs. McCutcheon and Perpich voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1423: A bill for an act relating to state lands; authorizing the exchange of certain public lake access land in Polk county.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lewis	Perpich	Staples
Ashbach	Gearty	Luther	Peterson	Stokowski
Bang	Gunderson	McCutcheon	Pillsbury	Strand
Benedict	Hanson	Menning	Purfeerst	Stumpf
Bernhagen	Hughes	Merriam	Renneke	Tennessen
Borden	Humphrey	Milton	Schaaf	Ueland, A.
Brataas	Johnson	Moe	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Schrom	Vega
Coleman	Kleinbaum	Nichols	Setzepfandt	Wegener
Davies	Knoll	Ogdahl	Sieloff	Willet
Dieterich	Knutson	Olhoft	Sikorski	
Dunn	Laufenburger	Olson	Solon	
Engler	Lessard	Penny	Spear	

So the bill passed and its title was agreed to.

S. F. No. 645: A bill for an act relating to vital statistics; requiring reporting; establishing registration districts; defining terms; providing penalties; repealing Minnesota Statutes 1976, Sections 144.151 to 144.205; 517.071; 517.08, Subdivisions 2 and 3; and 518.001.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lewis	Perpich	Staples
Ashbach	Gearty	Luther	Peterson	Stokowski
Bang	Gunderson	McCutcheon	Pillsbury	Strand
Benedict	Hanson	Menning	Purfeerst	Stumpf
Bernhagen	Hughes	Merriam	Renneke	Tennessen
Borden	Humphrey	Milton	Schaaf	Ueland, A.
Brataas	Johnson	Moe	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Schrom	Vega
Coleman	Kleinbaum	Nichols	Setzepfandt	Wegener
Davies	Knoll	Ogdahl	Sieloff	Willet
Dieterich	Knutson	Olhoft	Sikorski	
Dunn	Laufenburger	Olson	Solon	
Engler	Lessard	Penny	Spear	

So the bill passed and its title was agreed to.

S. F. No. 1293: A bill for an act relating to the Minnesota humane society; restructuring its board; making miscellaneous operational changes; repealing obsolete language; amending Minnesota Statutes 1976, Sections 343.01; 343.06 and 343.08; repealing Minnesota Statutes 1976, Sections 343.02; 343.03; 343.04; 343.05; 343.07 and 343.09.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lewis	Peterson	Stokowski
Ashbach	Gunderson	Luther	Pillsbury	Strand
Bang	Hanson	McCutcheon	Purfeerst	Stumpf
Benedict	Hughes	Menning	Renneke	Tennessee
Bernhagen	Humphrey	Milton	Schaaf	Ueland, A.
Borden	Johnson	Moe	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Setzepfandt	Vega
Coleman	Kleinbaum	Nichols	Sieloff	Wegener
Dieterich	Knoll	Ogdahl	Sikorski	Willet
Dunn	Knutson	Olson	Solon	
Engler	Laufenburger	Penny	Spear	
Frederick	Lessard	Perpich	Staples	

Mrs. Brataas, and Messrs. Davies and Merriam voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 646: A bill for an act relating to the environment; requiring one half of the petitioners initiating environmental impact statements to be adult residents or property owners in affected counties; amending Minnesota Statutes 1976, Section 116D.04, Subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 46 and nays 16, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Luther	Pillsbury	Stumpf
Ashbach	Gunderson	Menning	Purfeerst	Tennessee
Bang	Hanson	Milton	Renneke	Ueland, A.
Benedict	Hughes	Moe	Schmitz	Vega
Bernhagen	Johnson	Nichols	Schrom	Wegener
Brataas	Keefe, J.	Ogdahl	Setzepfandt	Willet
Chmielewski	Kleinbaum	Olson	Solon	
Dunn	Knutson	Penny	Staples	
Engler	Laufenburger	Perpich	Stokowski	
Frederick	Lessard	Peterson	Strand	

Those who voted in the negative were:

Borden	Humphrey	McCutcheon	Olhoff	Sikorski
Coleman	Knoll	Merriam	Schaaf	Spear
Davies	Lewis	Nelson	Sieloff	Ulland, J.
Dieterich				

So the bill passed and its title was agreed to.

S. F. No. 1362: A bill for an act relating to game and fish; exempting certain disabled residents from the requirements of obtaining a fishing license; amending Minnesota Statutes 1976, Section 98.47, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lewis	Perpich	Staples
Ashbach	Gearty	Luther	Peterson	Stokowski
Bang	Gunderson	McCutcheon	Pillsbury	Strand
Benedict	Hanson	Menning	Purfeerst	Stumpf
Bernhagen	Hughes	Merriam	Renneke	Tennessee
Borden	Humphrey	Milton	Schaaf	Ueland, A.
Brataas	Johnson	Moe	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Schrom	Vega
Coleman	Kleinbaum	Nichols	Setzepfandt	Wegener
Davies	Knoll	Ogdahl	Sieloff	Willet
Dieterich	Knutson	Olhoft	Sikorski	
Dunn	Laufenburger	Olson	Solon	
Engler	Lessard	Penny	Spear	

So the bill passed and its title was agreed to.

S. F. No. 1349: A bill for an act relating to the organization and operation of state government; regulating organization and procedures of various state departments and agencies; providing for the source of per diem and expense payments; providing for appointment and compensation of the employees suggestion board; removing the minimum teachers' license fee; permitting the board of teaching to adopt rules; regulating state arts board grants and publicity; providing the status of part time executive secretaries; permitting joint rule making proceedings; changing the name and composition of the state board of human rights; making miscellaneous inconsequential clarifications and corrections; amending Minnesota Statutes 1976, Sections 15.01; 15.059, Subdivision 6; 16.71, Subdivisions 1 and 1a; 121.02, Subdivision 1; 125.08; 125.185, by adding a subdivision; 139.10, Subdivision 1, and by adding subdivisions; 144A.19, Subdivision 2; 144A.21, Subdivision 1; 144A.251; 214.04, Subdivision 3, and by adding a subdivision; 214.06, Subdivision 1; 238.04, Subdivision 2; 363.04, Subdivisions 4, 4a and 5; Chapter 15, by adding a section; and Laws 1976, Chapter 222, Section 207, Subdivision 2; repealing Minnesota Statutes 1976, Sections 144A.21, Subdivisions 3 and 4; 144A.25; and 214.05.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Luther	Peterson	Stokowski
Ashbach	Gearty	McCutcheon	Pillsbury	Strand
Bang	Gunderson	Menning	Purfeerst	Stumpf
Benedict	Hanson	Merriam	Renneke	Tennessee
Bernhagen	Hughes	Milton	Schaaf	Ueland, A.
Borden	Humphrey	Moe	Schmitz	Ulland, J.
Brataas	Johnson	Nelson	Schrom	Vega
Chmielewski	Keefe, J.	Nichols	Setzepfandt	Wegener
Coleman	Kleinbaum	Ogdahl	Sieloff	Willet
Davies	Knoll	Olhoft	Sikorski	
Dieterich	Laufenburger	Olson	Solon	
Dunn	Lessard	Penny	Spear	
Engler	Lewis	Perpich	Staples	

So the bill passed and its title was agreed to.

S. F. No. 627: A bill for an act relating to public indebtedness; interest rates on obligations and special assessments; amending Minnesota Statutes 1976, Sections 429.061, Subdivision 2; and 475.55, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Lessard	Olson	Solon
Ashbach	Frederick	Lewis	Penny	Spear
Bang	Gearty	Luther	Perpich	Staples
Benedict	Gunderson	McCutcheon	Peterson	Stokowski
Bernhagen	Hanson	Menning	Pillsbury	Strand
Borden	Hughes	Merriam	Purfeerst	Stumpf
Brataas	Humphrey	Milton	Renneke	Tennessee
Chmielewski	Johnson	Moe	Schmitz	Ueland, A.
Coleman	Keefe, J.	Nelson	Schrom	Ulland, J.
Davies	Kleinbaum	Nichols	Setzepfandt	Vega
Dieterich	Knutson	Ogdahl	Sieloff	Wegener
Dunn	Laufenburger	Olhoff	Sikorski	Willet

So the bill passed and its title was agreed to.

THIRD READING OF HOUSE BILLS

H. F. No. 218: A bill for an act relating to the city of Minneapolis and Hennepin county; providing for representation for the board of county commissioners of Hennepin county and the Minneapolis city council on the municipal building commission; amending Laws 1903, Chapter 247, Section 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lewis	Perpich	Staples
Ashbach	Gearty	Luther	Peterson	Stokowski
Bang	Gunderson	McCutcheon	Pillsbury	Strand
Benedict	Hanson	Menning	Purfeerst	Stumpf
Bernhagen	Hughes	Merriam	Renneke	Tennessee
Borden	Humphrey	Milton	Schaaf	Ueland, A.
Brataas	Johnson	Moe	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Schrom	Vega
Coleman	Kleinbaum	Nichols	Setzepfandt	Wegener
Davies	Knoll	Ogdahl	Sieloff	Willet
Dieterich	Knutson	Olhoff	Sikorski	
Dunn	Laufenburger	Olson	Solon	
Engler	Lessard	Penny	Spear	

So the bill passed and its title was agreed to.

H. F. No. 54: A bill for an act relating to state government; purchase of products and services from sheltered workshops and work activity programs; setting standards for price determination; amending Minnesota Statutes 1976, Section 16.281, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lessard	Perpich	Staples
Ashbach	Gearty	Lewis	Peterson	Stokowski
Bang	Gunderson	Luther	Pillsbury	Strand
Benedict	Hanson	McCutcheon	Purfeerst	Stumpf
Bernhagen	Hughes	Menning	Renneke	Tennessee
Borden	Humphrey	Merriam	Schaaf	Ueland, A.
Brataas	Johnson	Moe	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Schrom	Vega
Coleman	Keefe, S.	Nichols	Setzepfandt	Wegener
Davies	Kleinbaum	Ogdahl	Sieloff	Willet
Dieterich	Knoll	Olhoft	Sikorski	
Dunn	Knutson	Olson	Solon	
Engler	Laufenburger	Penny	Spear	

So the bill passed and its title was agreed to.

H. F. No. 946: A bill for an act relating to the trunk highway system; adding a new route in substitution of an existing route.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lewis	Perpich	Staples
Ashbach	Gearty	Luther	Peterson	Stokowski
Bang	Gunderson	McCutcheon	Pillsbury	Strand
Benedict	Hanson	Menning	Purfeerst	Stumpf
Bernhagen	Hughes	Merriam	Renneke	Tennessee
Borden	Humphrey	Milton	Schaaf	Ueland, A.
Brataas	Johnson	Moe	Schmitz	Ulland, J.
Chmielewski	Keefe, S.	Nelson	Schrom	Vega
Coleman	Kleinbaum	Nichols	Setzepfandt	Wegener
Davies	Knoll	Ogdahl	Sieloff	Willet
Dieterich	Knutson	Olhoft	Sikorski	
Dunn	Laufenburger	Olson	Solon	
Engler	Lessard	Penny	Spear	

So the bill passed and its title was agreed to.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Consent Calendar and waive the lie over requirement. The motion prevailed.

CONSENT CALENDAR

H. F. No. 163: A bill for an act relating to the firemen's relief association of the city of Albertville, computation of years of service for volunteer firemen.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Penny	Solon
Ashbach	Frederick	Lessard	Perpich	Staples
Bang	Gearty	Luther	Peterson	Strand
Benedict	Gunderson	McCutcheon	Pillsbury	Stumpf
Bernhagen	Hanson	Menning	Purfeerst	Tennessee
Borden	Hughes	Merriam	Renneke	Ueland, A.
Brataas	Johnson	Moe	Schaaf	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Schmitz	Vega
Coleman	Keefe, S.	Nichols	Schrom	Wegener
Davies	Kleinbaum	Ogdahl	Setzpfandt	Willet
Dieterich	Knoll	Olhoff	Sieloff	
Dunn	Knutson	Olson	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 686: A bill for act relating to retirement; judges' survivors' benefits; option to continue.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	McCutcheon	Pillsbury	Strand
Ashbach	Gunderson	Menning	Purfeerst	Stumpf
Bang	Hanson	Merriam	Renneke	Tennessee
Benedict	Hughes	Moe	Schaaf	Ueland, A.
Bernhagen	Johnson	Nelson	Schmitz	Ulland, J.
Brataas	Keefe, J.	Nichols	Schrom	Vega
Chmielewski	Keefe, S.	Ogdahl	Setzpfandt	Wegener
Davies	Kleinbaum	Olhoff	Sieloff	Willet
Dieterich	Knoll	Olson	Sikorski	
Dunn	Laufenburger	Penny	Solon	
Engler	Lessard	Perpich	Staples	
Frederick	Luther	Peterson	Stokowski	

Mr. Coleman voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 146: A bill for act relating to cities of the first class; establishing procedures for refunds of certain special assessments; amending Minnesota Statutes 1976, Section 430.07.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Perpich	Staples
Ashbach	Gearty	Lessard	Peterson	Stokowski
Bang	Gunderson	Luther	Pillsbury	Strand
Benedict	Hanson	McCutcheon	Purfeerst	Stumpf
Bernhagen	Hughes	Menning	Renneke	Ulland, J.
Brataas	Humphrey	Merriam	Schaaf	Vega
Chmielewski	Johnson	Moe	Schmitz	Wegener
Coleman	Keefe, J.	Nelson	Schrom	Willet
Davies	Keefe, S.	Nichols	Setzepfandt	
Dieterich	Kleinbaum	Ogdahl	Sieloff	
Dunn	Knoll	Olhoff	Sikorski	
Engler	Knutson	Penny	Solon	

So the bill passed and its title was agreed to.

H. F. No. 502: A bill for act relating to Hennepin county; authorizing compensation for Hennepin county park reserve district commissioners and Hennepin county library board members.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Perpich	Staples
Ashbach	Gearty	Lessard	Peterson	Stokowski
Bang	Gunderson	Luther	Pillsbury	Strand
Benedict	Hanson	McCutcheon	Purfeerst	Stumpf
Bernhagen	Hughes	Menning	Renneke	Ueland, A.
Brataas	Humphrey	Merriam	Schaaf	Ulland, J.
Chmielewski	Johnson	Moe	Schmitz	Vega
Coleman	Keefe, J.	Nelson	Schrom	Wegener
Davies	Keefe, S.	Nichols	Setzepfandt	Willet
Dieterich	Kleinbaum	Ogdahl	Sieloff	
Dunn	Knoll	Olhoff	Sikorski	
Engler	Knutson	Penny	Solon	

So the bill passed and its title was agreed to.

H. F. No. 979: A bill for act relating to state lands; authorizing the conveyance by the state of certain lands in St. Louis county.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Penny	Solon
Ashbach	Frederick	Laufenburger	Perpich	Staples
Bang	Gearty	Luther	Peterson	Stokowski
Benedict	Gunderson	McCutcheon	Pillsbury	Strand
Bernhagen	Hanson	Menning	Purfeerst	Stumpf
Borden	Hughes	Merriam	Renneke	Tennessee
Brataas	Humphrey	Moe	Schaaf	Ueland, A.
Chmielewski	Johnson	Nelson	Schmitz	Ulland, J.
Coleman	Keefe, J.	Nichols	Schrom	Vega
Davies	Keefe, S.	Ogdahl	Setzepfandt	Wegener
Dieterich	Kleinbaum	Olhoft	Sieloff	Willet
Dunn	Knoll	Olson	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 465: A bill for an act relating to redevelopment; providing for membership on regional development commissions; amending Minnesota Statutes 1976, Section 462.388, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lessard	Perpich	Stokowski
Ashbach	Gearty	Luther	Peterson	Strand
Bang	Hanson	McCutcheon	Pillsbury	Stumpf
Benedict	Hughes	Menning	Purfeerst	Tennessee
Bernhagen	Humphrey	Merriam	Renneke	Ueland, A.
Borden	Johnson	Moe	Schaaf	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Schmitz	Vega
Coleman	Keefe, S.	Nichols	Setzepfandt	Wegener
Davies	Kleinbaum	Ogdahl	Sieloff	Willet
Dieterich	Knoll	Olhoft	Sikorski	
Dunn	Knutson	Olson	Solon	
Engler	Laufenburger	Penny	Staples	

Mrs. Brataas and Messrs. Gunderson and Schrom voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 425: A bill for an act relating to municipalities; authorizing appropriations for historical work; amending Minnesota Statutes 1976, Section 471.93.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Bernhagen	Coleman	Engler	Hanson
Ashbach	Borden	Davies	Frederick	Hughes
Bang	Brataas	Dieterich	Gearty	Humphrey
Benedict	Chmielewski	Dunn	Gunderson	Johnson

Keefe, J.	Merriam	Perpich	Setzepfandt	Stumpf
Keefe, S.	Moe	Peterson	Sieloff	Tennessee
Kleinbaum	Nelson	Pillsbury	Sikorski	Ueland, A.
Knutson	Nichols	Purfeerst	Solon	Ulland, J.
Laufenburger	Ogdahl	Renneke	Spear	Vega
Lessard	Olhoft	Schaaf	Staples	Wegener
Luther	Olson	Schmitz	Stokowski	Willet
Menning	Penny	Schrom	Strand	

So the bill passed and its title was agreed to.

H. F. No. 62: A bill for an act relating to towns; annual audit report; eliminating the requirement that a copy of the report be furnished to the state auditor; amending Minnesota Statutes 1976, Section 366.22.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lessard	Perpich	Spear
Ashbach	Gearty	Luther	Peterson	Staples
Bang	Gunderson	Menning	Pillsbury	Stokowski
Benedict	Hanson	Merriam	Purfeerst	Strand
Bernhagen	Hughes	Moe	Renneke	Stumpf
Brataas	Humphrey	Nelson	Schaaf	Tennessee
Chmielewski	Keefe, J.	Nichols	Schmitz	Ueland, A.
Davies	Keefe, S.	Ogdahl	Schrom	Ulland, J.
Dieterich	Kleinbaum	Olhoft	Setzepfandt	Vega
Dunn	Knutson	Olson	Sieloff	Wegener
Engler	Laufenburger	Penny	Sikorski	Willet

Mr. Johnson voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 107: A bill for an act relating to state property; authorizing the conveyance of certain state property in Sherburne county to the city of St. Cloud, Minnesota.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Lessard	Pillsbury	Stumpf
Ashbach	Gearty	Lewis	Purfeerst	Tennessee
Bang	Gunderson	Luther	Renneke	Ueland, A.
Benedict	Hanson	Menning	Schaaf	Ulland, J.
Bernhagen	Hughes	Merriam	Schmitz	Vega
Borden	Humphrey	Moe	Setzepfandt	Wegener
Brataas	Johnson	Nelson	Sikorski	Willet
Chmielewski	Keefe, J.	Olhoft	Solon	
Coleman	Keefe, S.	Penny	Staples	
Davies	Kleinbaum	Perpich	Stokowski	
Dieterich	Laufenburger	Peterson	Strand	

Messrs. Dunn and Schrom voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1489 a Special Order to be heard immediately.

S. F. No. 1489: A bill for an act relating to the organization and operation of state government; appropriating money for maintenance of various semi-state activities and for other purposes; amending Minnesota Statutes 1976, Sections 139.08, Subdivision 5; 139.10, by adding a subdivision; 343.08; 343.12; 346.216; Chapter 139, by adding sections; repealing Minnesota Statutes 1976, Sections 343.02; and 343.03.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Kleinbaum	Penny	Sillers
Ashbach	Dunn	Knoll	Peterson	Staples
Bang	Engler	Laufenburger	Pillsbury	Stokowski
Benedict	Frederick	Lessard	Purfeerst	Strand
Bernhagen	Gearty	Luther	Renneke	Stumpf
Borden	Gunderson	Menning	Schaaf	Tennesen
Brataas	Hughes	Merriam	Schmitz	Ueland, A.
Chmielewski	Humphrey	Moe	Schrom	Ulland, J.
Coleman	Johnson	Nichols	Setzepfandt	Willet
Davies	Keefe, S.	Olhoff	Sieloff	

So the bill passed and its title was agreed to.

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.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to 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 House Files, herewith transmitted:

H. F. Nos. 774, 1287, 1500 and 1102.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 3, 1977

FIRST READING OF HOUSE BILLS

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

H. F. No. 774: A bill for an act relating to landlords and tenants; providing remedies for tenants whose landlords have breached provisions of agreements; defining terms; providing for adjustment of rent.

Referred to the Committee on Judiciary.

H. F. No. 1287: A bill for an act relating to education; revising provisions prescribing duties of school districts and the state department of education; correcting outdated definitions and references; changing certain levy authority; altering the foundation aid computation in certain cases; and providing school lunch aid; amending Minnesota Statutes 1976, Sections 6.62, Subdivision 1; 121.02, Subdivision 1; 123.34, Subdivisions 4 and 8; 123.68; 124.212, by adding a subdivision; 124.66; 127.25, Subdivisions 1 and 2, and by adding a subdivision; 134.03; 275.09, Subdivision 4; 275.125, Subdivisions 4, 15 and 16; Chapters 123, by adding a section; and 124, by adding a section; repealing Minnesota Statutes 1976, Sections 120.02, Subdivisions 11 and 18; 121.11, Subdivision 3; 123.14; 123.17; 123.18; 123.20; 124.215, Subdivisions 3, 4, 5, 6, 7 and 8; 124.23; 126.021; 126.022; 126.024; 128.01; 128.02; 128.03; 128.04; 128.05; 128.06; 128.069; 129.06; 129.07; 129.08; and 129.09.

Referred to the Committee on Education.

H. F. No. 1500: A bill for an act relating to elections; vacancy in office of senator in congress; providing for special election to fill a vacancy; amending Minnesota Statutes 1976, Section 202A.72.

Referred to the Committee on Elections.

H. F. No. 1102: A bill for an act relating to state agencies; purchasing and furnishing goods and services; amending Minnesota Statutes 1976, Chapter 16, by adding a section; Sections 15.047, Subdivision 1; 16.02, Subdivisions 2, 13, 16, 19, and by adding a subdivision; 16.07, Subdivision 8, and by adding a subdivision; 16.72, Subdivision 2; 16.75, Subdivision 7; 16.80, Subdivision 1; 238.04, Subdivision 2; and 327.51, Subdivisions 1 and 3, and by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1129 now in the Subcommittee on Bill Scheduling.

MOTIONS AND RESOLUTIONS—CONTINUED**RECONSIDERATION**

Mr. Schaaf moved that the vote whereby S. F. No. 1135 was passed by the Senate on May 3, 1977, be now reconsidered. The motion prevailed.

Mr. Schaaf moved that S. F. No. 1135 be referred to the Committee on Rules and Administration for comparison with H. F. No. 1130. The motion prevailed.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the General Orders Calendar and waive the lie-over requirement. 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 Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 678, 1410, 157, 158, 1051 and 1106, which the committee recommends to pass.

S. F. No. 1070, which the committee recommends to pass with the following amendment offered by Mr. Davies:

Page 2, line 10, strike "300,000" and insert "100,000"

S. F. No. 1172, which the committee recommends to pass with the following amendment offered by Mr. Borden:

Page 9, line 26, strike "*its or*"

Page 9, line 31, strike "*Such*" and insert "*The*"

Page 10, lines 22 and 26, strike "1977" and insert "1978"

Page 10, line 23, strike "*the effective date of this act*" and insert "*that date*"

Page 10, line 27, after "12." insert "*Section 1 is effective July 1, 1978, and the remainder of*"

On motion of Mr. Borden, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

MOTIONS AND RESOLUTIONS—CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Borden moved to 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 from the Committee on Rules and Administration,

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

to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 677: A bill for an act relating to counties; prohibiting counties from publishing the names and salaries of county employees; amending Minnesota Statutes 1976, Section 375.17.

Reports the same back with the recommendation that the report from the Committee on Local Government shown in the Journal for April 25, 1977, that "when so amended the bill do pass" be adopted and the bill re-referred to the Committee on Judiciary. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 1037: A bill for an act relating to the city of Bloomington; housing and redevelopment authority; providing that the housing and redevelopment authority may make loans and grants for home improvement, rental assistance, and financial assistance; amending Laws 1971, Chapter 616, Sections 1 and 2.

Reports the same back with the recommendation that the report from the Committee on Local Government shown in the Journal for April 25, 1977, 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 referred under Rule 35, together with the committee report thereon,

S. F. No. 1174: A bill for an act relating to the city of Mankato; authorizing residential property rehabilitation loans and grants and authorizing the issuance of bonds for acquisition and betterment of a municipal fire hall and city hall.

Reports the same back with the recommendation that the report from the Committee on Local Government shown in the Journal for April 25, 1977, be amended to read: "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 under Rule 35, together with the committee report thereon,

S. F. No. 1085: A bill for an act relating to the city of Marshall; authorizing the issuance of general obligation airport bonds.

Reports the same back with the recommendation that the report from the Committee on Local Government shown in the Journal for April 25, 1977, that "when so amended the bill do pass and be placed on the Consent Calendar" be adopted. Amendments adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration,

to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 1418: A bill for an act relating to bodies of water; allowing counties to exercise certain functions with approval of district; amending Minnesota Statutes 1976, Section 378.32, Subdivision 1.

Reports the same back with the recommendation that the report from the Committee on Local Government shown in the Journal for April 25, 1977, that "the bill do pass and be placed on the Consent Calendar" be adopted. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 1133: A bill for an act relating to environmental protection; prohibiting the storage of certain radioactive wastes in Minnesota; providing a penalty.

Reports the same back with the recommendation that the report from the Committee on Agriculture and Natural Resources shown in the Journal for April 26, 1977, 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 referred under Rule 35, together with the committee report thereon,

S. F. No. 522: A bill for an act relating to watersheds; providing for the issuance of county bonds to pay the cost of watershed district improvements; amending Minnesota Statutes 1976, Section 112.60, Subdivision 2.

Reports the same back with the recommendation that the report from the Committee on Agriculture and Natural Resources shown in the Journal for April 26, 1977, 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. 1131: A bill for an act relating to metropolitan airports; authorizing reimbursement to commission members; clarifying its organization and authority; granting emergency authority to expend funds; amending Minnesota Statutes 1976, Sections 473.605, Subdivisions 1 and 2; 473.606, Subdivisions 1 and 4; 473.608, Subdivisions 1, 15 and 17; 473.611, Subdivision 5; 473.621, Subdivisions 2 and 4; 473.641, Subdivision 2; 473.652, repealing Minnesota Statutes 1976, Sections 473.611, Subdivisions 1, 2, 3 and 4; and 473.621, Subdivision 1.

Reports the same back with the recommendation that the bill be re-referred to the Subcommittee on Bill Scheduling. Report adopted.

Mr. Coleman from the Committee on Rules and Administration, to which was referred for proper reference under Rule 35:

S. F. No. 1460 reports the same back with the recommendation that the bill be re-referred as follows:

S. F. No. 1460 to the Committee on Judiciary.

Report adopted.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred

S. F. Nos. 1129, 662, 341, 210, 1019, 73, 896, 1065, and H. F. Nos. 1006, 1079, 531, 1107, 691, 337, 777, 882, 90, 445, 188 and 212, makes the following report:

That S. F. Nos. 1129, 662, 341, 210, 1019, 73, 896, 1065 and H. F. Nos. 1006, 1079, 531, 1107, 691, 337, 777, 882, 90, 445, 188 and 212 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the subcommittee on which floor action was requested. Report adopted.

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 256: A bill for an act relating to insurance; providing for regulation of aircraft and inland marine insurance; amending Minnesota Statutes 1976, Sections 70A.02, Subdivision 2; and 70A.06, Subdivision 3.

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

Page 2, reinstate stricken numbers on lines 4, 8, 9, and 12 and strike the new numbers on lines 8, 9 and 12

Page 2, strike lines 14 to 28 and insert:

"Sec. 2. Minnesota Statutes 1976, Section 360.59, Subdivision 10, is amended to read:

Subd. 10. [CERTIFICATE OF INSURANCE.] Every owner of aircraft in this state when applying for registration, reregistration, or transfer of ownership shall supply any information the commissioner reasonably requires to determine that the aircraft is covered by an insurance policy with limits of not less than \$25,000 per passenger seat liability both for passenger bodily injury or death and for property damage; not less than \$25,000 for bodily injury or death to each non-passenger in any one accident; and not less than \$50,000 per occurrence for bodily injury or death to non-passengers in any one accident. The information shall include but is not limited to the name and address of the owner, the name of the insurer, the insurance policy number, the term of the coverage, policy limits and any other data the commissioner requires. No certificate of registration shall be issued

pursuant to subdivision 3 in the absence of the information required by this subdivision or the commissioner. In the event of cancellation of the insurance the insurer shall notify the department of transportation at least ten days prior to the date on which the insurance coverage is to be terminated. Unless proof of a new policy of insurance is filed with the department the registration certificate for the aircraft shall be revoked forthwith. *Provided, however, that nothing in this subdivision shall be construed to require an owner of aircraft to maintain passenger seat liability coverage on aircraft for which an experimental certificate has been issued by the Administrator of the Federal Aviation Administration pursuant to 14 C. F. R., sections 21.191 to 21.195 and 91.42, whereunder persons operating the aircraft are prohibited from carrying passengers in the aircraft. Whenever the aircraft becomes certified to carry passengers, passenger seat liability coverage shall be required as provided in this subdivision.*"

Amend the title as follows:

Page 1, line 3, after the semicolon insert "providing an exception from the requirement of passenger liability coverage on aircraft;"

Page 1, line 5, strike "70A.06, Subdivision 3" and insert "\$60.59, Subdivision 10"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1260: A bill for an act relating to appropriations; providing funds for a statutory Indian business assistance program.

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

Page 1, line 8, strike "\$50,000" and insert "\$30,000"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 738: A bill for an act relating to the state transportation system; authorizing the issuance and sale of Minnesota trunk highway bonds under the provisions of Minnesota Constitution, Article XI, Sections 4 to 7, and Article XIV, Section 11, and authorizing the expenditure of the proceeds thereof for trunk highway bridges and approaches; authorizing the issuance and sale of Minnesota state transportation bonds under the provisions of Minnesota Constitution, Article XI, and authorizing the expenditure thereof for grants to political subdivisions for construction and reconstruction of certain bridges; appropriating money.

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

Page 2, line 1, strike everything after "bonds"

Page 2, line 2, strike "and"

Page 2, line 3, after "account" insert "in the trunk highway fund"

Page 2, line 8, strike "1976"

Page 2, line 11, strike "1976"

Page 2, line 13, after "Statutes" insert ", Section"

Page 2, line 13, strike "are"

Page 2, line 14, strike "appropriated to" and insert "shall be deposited in"

Page 2, line 16, strike "1976"

Page 2, line 21, strike everything after "1,"

Page 2, line 22, strike "1979," and insert "to the department of transportation"

Page 2, line 28, before "section" insert "Minnesota Statutes,"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1078: A bill for an act relating to transportation; restructuring state and local financing of the operations of the Twin Cities metropolitan transit commission; requiring performance funding; changing the taxing authority of the commission; authorizing the sale of bonds for particular purposes; limiting operating deficits on all regular routes; providing for initiation of and reimbursement for certain new routes; requiring reduced transit tax levy in municipalities with no subsidized transit service; establishing reduced fare service for the elderly, students and handicapped and reimbursing the commission for such service; extending the statewide supplemental transit aid program; establishing a statewide paratransit demonstration grant program; defining "transit"; requiring annual permits for overlength articulated buses; granting powers to and imposing duties on the commissioner of transportation; appropriating money; amending Minnesota Statutes 1976, Sections 169.81, by adding a subdivision; 473.121, Subdivision 19, and by adding a subdivision; 473.402; 473.421; 473.423, Subdivision 1; 473.446, Subdivision 1; Chapters 174, by adding a section; and 473, by adding sections; repealing Minnesota Statutes 1976, Section 473.446, Subdivisions 4 and 5.

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

Page 2, line 19, strike "[LEGISLATIVE DETERMINATION, POLICY, PURPOSE AND]"

Page 2, line 20, strike "OBJECTIVES.] Subdivision 1. [POLICY AND PURPOSE.] The"

Page 2, line 21, strike "legislature finds and determines that"

Page 2, line 22, strike "*there is a transportation problem in the*"

Page 2, line 23, strike "metropolitan transit area hereinafter established."

Page 3, strike the new language in lines 10 through 20

Page 3, line 20, strike "These effects will"

Page 3, strike line 21

Page 3, line 22, strike "*and the number of visitors to the area increase,*"

Page 3, line 23, strike "imposing serious handicaps on"

Page 3, line 23, strike "business, industry,"

Page 3, strike line 24

Page 3, line 25, strike "activities"

Page 3, strike lines 26 and 27

Page 3, line 32, strike "The legislature"

Page 4, strike lines 1 through 3

Page 4, line 4, strike "entire state,"

Page 4, line 7, strike "*through*"

Page 4, strike lines 8 through 14

Page 4, line 15, strike "for the other measures herein provided"

Page 4, line 15, strike the period

Page 4, line 16, strike "*Subd. 2.*"

Page 4, line 16, strike "*It is the intent of the*"

Page 4, line 17, strike "*legislature that*"

Page 4, line 17, strike "*herein*"

Page 4, line 18, strike "*created*" and insert "*shall*"

Page 7, line 17, strike " ; and" and insert a period

Page 7, strike lines 18 through 20

Page 13, line 3, strike " , county"

Page 13, lines 8 and 9, strike "*or county*"

Page 17, line 19 to Page 19, line 23, strike all of Section 13 and insert:

"Sec. 13. [APPROPRIATIONS.] Subdivision 1. *The sums set forth in this section are appropriated from the general fund to the*

commissioner of transportation for the purposes indicated, to be available until June 30, 1979.

Subd. 2. Supplemental Transit Aid Program grants \$7,000,000

For payments by the commissioner under transit aid program act, Laws 1974, Chapter 534, Section 4, Subdivision 4, as amended. Of this amount \$3,000,000 shall be paid pursuant to contracts with the Twin Cities area metropolitan transit commission for the period from July 1, 1977 to December 31, 1977, and \$4,000,000 shall be paid pursuant to contracts with other eligible recipients.

Subd. 3. Performance funding 13,700,000

For payments by the commissioner under contracts made pursuant to the supplemental transit aid program act, Laws 1974, Chapter 534, Section 4, Subdivision 4, as amended, and section 8.

This appropriation is not available until January 1, 1978.

Subd. 4. Social Fare Reimbursement \$8,300,000
For reimbursement pursuant to section 7.

Subd. 5. Paratransit and Public Transit Demonstration Grant Programs 2,350,000

Of this amount, \$1,500,000 is for paratransit projects pursuant to section 11 in the metropolitan area as defined by section 473.121, subdivision 2, and \$850,000 is for paratransit projects pursuant to section 11 and public transit demonstration programs pursuant to Laws 1974, Chapter 534, Section 5, in other areas of the state.

Subd. 6. New Route Reimbursement 400,000
Pursuant to section 9, subdivision 6.

Subd. 7. Other costs of the Commission

(a) General Administrative and Planning Expenses 1,200,000

Of the money appropriated under this clause up to \$160,000 may be used to pay planning expenses related to the St. Paul downtown people mover demonstration project.

(b) Expenses of Operating Special Services for Handicapped Persons 1,200,000

The money appropriated by this subdivision shall be paid by the commissioner of transportation to the Twin Cities area metropolitan transit commission.

Subd. 8. Grants to Private Operators in the Metropolitan Area 1,200,000

For payments by the commissioner under contracts with private operators of regular route bus service in the metropolitan area as defined by section 473.121, subdivision 2. These contracts shall be in accordance with the provisions of Laws 1974, Chapter 534, Section 4, as amended, as far as practicable except that the commissioner may provide up to 100 percent of the total operating deficit of any such operator. Every contract proposed to be entered into by the commissioner shall first be submitted for simultaneous review by the metropolitan council for consistency with its transportation policy plan and development guide and by the Twin Cities area metropolitan transit commission for consistency with its transportation development program. Comments on any contract shall be filed with the commissioner by the council or commission within 30 days of submission for review.

Subd. 9. Administrative costs 150,000

For costs of administration of the supplemental transit aid program, including the performance funding provisions of this act, the paratransit demonstration grant program and other provisions of this act that impose duties on the commissioner."

Amend the title as follows:

Line 12, strike the comma

Line 13, strike "students"

Line 17, strike "defining "transit";"

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

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 1017: 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 amended as follows:

Page 2, line 8, strike "person,"

Page 2, line 8, after "corporation" insert "when all of its partners, stockholders or members are"

Page 2, line 10, before the comma insert ", or a person so licensed"

Page 3, line 23, before "cost" insert "total"

Page 4, line 7, strike "said" and insert "the"

Page 4, line 20, strike "Seller" and insert "Invention Developer"

Page 4, line 20, strike "Seller's" and insert "Invention Developer's"

Page 4, line 28, strike "boldface"

Page 4, line 30, after "be" insert "in boldface type and shall be"

Page 5, line 12, after "days" insert "after receipt of the cancellation notice"

Page 6, line 24, after "whether" insert "and the extent to which"

Page 9, line 7, strike "such" and insert "the"

Page 9, after line 27, insert a new subdivision to read:

"Subd. 3. In lieu of the bond required by subdivision 1 the invention developer may deposit with the state treasurer a cash deposit in the like amount. The state treasurer shall not refund a deposit until 60 days after either the invention developer has ceased doing business in the state or a bond has been filed as provided in the appropriate section in the law."

Page 10, line 15, strike "void and"

Page 10, line 16, after "unenforceable" insert "against the customer"

Page 10, line 17, strike "void and"

Page 10, line 29, strike "void and" and after "unenforceable" insert "against the customer"

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. 1518: A bill for an act relating to Independent School District No. 272 (Eden Prairie) and Independent School District No. 271 (Bloomington); providing for the transfer of territory from Independent School District No. 272 to Independent School District No. 271.

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. 1395: A bill for an act relating to education; public television; altering the calculation of matching funds required by public stations; appropriating money; amending Minnesota Statutes 1976, Section 139.18, 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 1976, Section 139.18, Subdivision 1, is amended to read:

139.18 [GRANTS.] Subdivision 1. The board of the arts shall distribute the funds provided by sections 139.16 to 139.18. Twice annually the board of the arts shall make grants to public stations for the acquisition and production of materials and broadcast transmission costs to educational stations to the extent and in the amount the educational station matches Minnesota based contributions, on a dollar for dollar basis. The board of the arts shall allocate funds appropriated for the purposes of sections 139.16 to 139.18 in such a manner that each eligible public station receives an equal amount, except that no station's grant in any fiscal year shall exceed the amount of Minnesota based contributions received by that station in the previous fiscal year.

Sec. 2. Minnesota Statutes 1976, Section 139.18, Subdivision 2, is amended to read:

Subd. 2. In calculating the amount of contributions that must be matched received by a public station pursuant to subdivision 1, there shall be excluded: contributions, whether monetary or in kind, from the corporation for public broadcasting, from ; tax generated funds, including payments by public or private elementary and secondary schools, ; foundation and corporation donations; contributions from any source if made for the purpose of capital expenditures; and contributions from all sources based outside the state shall be excluded. The board of the arts 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.

Sec. 3. There is appropriated from the general fund to the board of the arts the sum of \$300,000 for the biennium ending June 30, 1979, for the purposes of this act."

Further, amend the title as follows:

Page 1, line 6, strike "Subdivision" and insert "Subdivisions 1 and"

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 Finance, to which was re-referred

S. F. No. 897: A bill for an act relating to crime victims reparations; eliminating the minimum claim amount necessary for reparations; raising the amount of reparations paid to claimants suffering economic loss; amending Minnesota Statutes 1976, Sections 299B.03, Subdivision 2; and 299B.04.

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

Pages 1 and 2, strike all of section 1

Page 2, line 21, reinstate the stricken language

Page 2, after line 24, insert:

"Sec. 2. [APPROPRIATION.] The sums set forth in this section are appropriated from the general fund to the commissioner of public safety for the payment of increased crime victims' reparations as provided for by this act, to be available for the fiscal year ending June 30 in the years indicated.

1978	1979
\$75,000	\$75,000 "

Page 2, line 25, strike "*Sections 1 and 2 shall apply*" and insert "*This act applies*"

Renumber the sections in sequence

Amend the title as follows:

Line 2, strike "eliminating"

Strike line 3

Line 4, strike "reparations;"

Line 5, after the semicolon, insert "appropriating money;"

Lines 6 and 7, strike "*Sections 299B.03, Subdivision 2; and*" and insert "*Section*"

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

Mr. Moe from the Committee on Finance, to which was referred.

S. F. No. 625: A bill for an act relating to employment services; authorizing the summer employment of young persons for state and local service; appropriating money.

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

Page 1, line 7, after "Section 1." insert "[268.31]"

Page 1, lines 8 to 15, strike all of Subdivision 1

Page 1, line 16, strike "Subd. 2."

Page 2, line 5, after "Sec. 2." insert "[268.32]"

Page 3, line 9, after "Sec. 3." insert "[268.33]"

Page 2, line 12, before "The" insert "Until December 31, 1977,"

Page 2, line 13, after "powers" insert "pursuant to Minnesota Statutes, Section 15.0412, Subdivision 5,"

Page 2, line 19, after "Sec. 4." insert "[268.34]"

Page 3, line 8, after "Sec. 5." insert "[268.35]"

Page 3, line 16, after "Sec. 6." insert "[268.36]"

Page 3, line 32, after "program" insert "during the year of employment"

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

SECOND READING OF SENATE BILLS

S. F. Nos. 1085 and 1418 were read the second time.

S. F. Nos. 1037, 1174, 1133, 522, 1260, 738, 1078, 897 and 625 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 256, 1017 and 1518 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Borden moved that the Senate do now adjourn until 10:00 o'clock a.m., Thursday, May 5, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FORTY-SEVENTH DAY

St. Paul, Minnesota, Wednesday, May 4, 1977

The House of Representatives met on Wednesday, May 4, 1977, which was the Forty-seventh Legislative Day of the Seventieth Session of the Minnesota State Legislature. The Senate did not meet on this date.

FORTY-EIGHTH DAY

St. Paul, Minnesota, Thursday, May 5, 1977

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:

Bang	Hanson	Lessard	Pillsbury	Stumpf
Benedict	Hughes	Lewis	Purfeerst	Tennessee
Bernhagen	Humphrey	Luther	Renneke	Ueland, A.
Chmielewski	Jensen	McCutcheon	Schmitz	Ulland, J.
Coleman	Johnson	Menning	Schrom	Vega
Davies	Keefe, S.	Merriam	Setzepfandt	Wegener
Dunn	Kirchner	Nelson	Sikorski	Willet
Engler	Kleinbaum	Nichols	Spear	
Gearty	Knutson	Olhoff	Stokowski	
Gunderson	Laufenburger	Penny	Strand	

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

Prayer was offered by the Chaplain, Rev. John G. Donahue.

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

Anderson	Gunderson	Lessard	Penny	Solon
Ashbach	Hanson	Lewis	Perpich	Spear
Bang	Hughes	Luther	Peterson	Staples
Benedict	Humphrey	McCutcheon	Pillsbury	Stokowski
Bernhagen	Jensen	Menning	Purfeerst	Strand
Brataas	Johnson	Merriam	Renneke	Stumpf
Chmielewski	Keefe, J.	Milton	Schaaf	Tennessee
Coleman	Keefe, S.	Moe	Schmitz	Ueland, A.
Davies	Kirchner	Nelson	Schrom	Ulland, J.
Dieterich	Kleinbaum	Nichols	Setzepfandt	Vega
Dunn	Knoll	Ogdahl	Sieloff	Wegener
Engler	Knutson	Olhoff	Sikorski	Willet
Gearty	Laufenburger	Olson	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, Chenoweth and Frederick were excused from the Session of today. Mr. Purfeerst was excused from the Session

of today from 11:30 o'clock a.m. until 1:30 o'clock p.m. Mr. McCutcheon was excused from the Session of today at 12:30 o'clock p.m. Mr. Ulland, J. was excused from the Session of today from 1:30 o'clock p.m. until 2:30 o'clock p.m. Mr. Ueland, A. was excused from the Session of today from 12:30 o'clock p.m. until 3:30 o'clock p.m. Mr. Sillers was excused from the Session of today at 1:30 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. Milton, Nelson, Vega and Mrs. Staples introduced—

S. F. No. 1505: A bill for an act relating to precinct caucuses; providing for access by elderly and handicapped persons; providing for use of polling place for precinct caucuses; amending Minnesota Statutes 1976, Section 202A.15, Subdivision 2.

Referred to the Committee on Elections.

Mr. Johnson introduced—

S. F. No. 1506: A bill for an act relating to pollution control; providing for a tax on certain discharges.

Referred to the Committee on Taxes and Tax Laws.

Mr. McCutcheon introduced—

S. F. No. 1507: A bill for an act relating to taxation; abolishing the property tax on homestead and multiple dwelling residential property; imposing the property tax on other real property as a state tax and removing the local property tax; providing for a local income tax to be imposed by municipalities, counties and special taxing districts; restructuring the distribution of local aids; transferring welfare authority and duties from the counties to the state; providing for complete funding of education by the state and abolishing school district levies; transferring public hospitals and parks from the jurisdiction of the counties to the cities; providing penalties; appropriating money; amending Minnesota Statutes 1976, Sections 270.06; 270.07, Subdivisions 1 and 2; 270.10, Subdivision 2; 270.11, Subdivisions 2, 3, 4 and 7; 270.12, Subdivision 2; 270.13; 270.16; 270.17; 272.02, Subdivisions 1 and 2; 272.12; 272.14; 272.161; 272.20; 272.21; 272.23; 272.38; 272.39; 272.41; 272.435; 272.45; 272.46; 272.47; 272.59, Subdivision 1; 272.68, Subdivisions 1, 3 and 4; 273.01; 273.015, Subdivision 1; 273.02, Subdivisions 1, 2, 3 and 6; 273.03; 273.11, Subdivisions 2 and 5; 273.111, Subdivision 10; 273.112, Subdivision 8; 273.121; 273.13, Subdivision 4; 273.17, Subdivision 1; 273.18; 273.21; 273.38; 273.42; 274.01; 274.03; 274.04; 274.08; 274.09; 274.10, Subdivisions 1 and 3; 274.11; 274.12; 275.02; 275.28, Subdivision 1; 276.04; 276.05;

276.07; 277.01, Subdivision 1; 278.01; 278.03; 278.04; 278.05; 278.09; 278.10; 278.12; 279.01; 279.02; 279.05; 279.06; 279.07; 279.09; 279.10; 279.11; 279.12; 279.17; 279.22; 279.23; 279.25; 279.34; 279.37, Subdivisions 2, 3, 4, 6, 7 and 8; 280.02; 280.07; 280.10; 280.11; 280.27; 280.28; 280.29; 280.33; 280.36; 280.37; 280.38; 280.385; 280.40; 281.01; 281.02; 281.03; 281.05; 281.10; 281.11; 281.12; 281.13; 281.14; 281.15; 281.21; 281.22; 281.23; 281.24; 281.28; 281.29; 281.324; 281.325; 281.326; 281.327; 281.33; 281.37; 281.38; 281.40; 282.01, Subdivisions 1, 2, 3, 4, 5, 6, 7 and 8; 282.011, Subdivision 1; 282.012; 282.013; 282.016; 282.017; 282.02; 282.03; 282.031; 282.032; 282.033; 282.034; 282.035; 282.037; 282.04; 282.05; 282.07; 282.08; 282.14; 282.15; 282.151; 282.16; 282.17; 282.171; 282.18; 282.19; 282.221; 282.222, Subdivisions 1, 2 and 4; 282.223; 282.224; 282.226; 282.241; 282.251; 282.271; 282.281; 282.291; 282.301; 282.311; 282.321; 282.323, Subdivision 2; 282.324; 282.341; 282.36; 282.37; 283.02; 283.03; 283.05; 283.06; 283.07; 283.11; 284.01; 284.03; 284.05; 284.06; 284.07; 284.08; 284.09; 284.11; 284.12; 284.25, Subdivisions 5, 6 and 7; 284.251, Subdivisions 4 and 5; 284.28, Subdivisions 1, 2, 3, 6 and 7; 298.28, Subdivision 1; 298.244, Subdivision 1; 298.25; 298.281, Subdivisions 1, 2 and 5; 298.36; 298.37; 298.39; 298.396; 298.405, Subdivision 4; 298.46, Subdivisions 2, 3, 4 and 5; 298.64; 365.09; 365.18, Subdivision 2; 365.47; 365.48; 366.015, Subdivision 2; 366.27; 368.05; 368.85, Subdivisions 1, 2 and 6; 368.86, Subdivision 9; 370.19; 370.20; 371.11; 373.01, Subdivision 1; 373.053, Subdivision 5; 373.27, Subdivision 2; 373.31, Subdivision 2; 374.29; 375.167, Subdivision 1; 375.18, Subdivision 6; 375.23; 375.33, Subdivision 1; 376.19; 376.28; 376.31; 376.58, Subdivisions 1 and 2; 377.01; 377.02; 377.03; 377.04; 377.05; 378.52, Subdivisions 1 and 2; 379.06; 383.06; 397.08; 397.10; 397.101; 398.16; 398.33, Subdivision 1; 400.11; 401.10; 412.081; 412.091; 412.093, Subdivisions 5 and 6; 412.251; 414.021, Subdivision 3; 414.031, Subdivision 4; 414.032, Subdivision 4; 414.041, Subdivisions 3 and 4a; 414.067, Subdivisions 1 and 2; 422A.081; 423.27; 423.376, Subdivisions 1 and 3; 423.47; 423.807, Subdivisions 1, 2 and 3; 424.12, Subdivisions 1, 2 and 3; 424.30, Subdivision 1; 425.06; 426.055; 429.051; 429.061, Subdivisions 1, 2 and 3; 430.06; 435.17, Subdivision 2; 443.29; 444.075, Subdivisions 2 and 4; 444.20; 447.42, Subdivision 1; 447.45; 447.46; 447.47; 448.48; 447.49; 447.50; 448.03; 448.21; 448.22; 448.23; 448.24; 448.25; 448.54; 448.55; 448.56; 449.06; 449.08; 449.09; 449.10; 450.19; 450.23; 450.24; 458.14; 458.192, Subdivision 2; 458.193, Subdivision 5; 458.199; 459.06, Subdivision 1; 459.14, Subdivision 2; 462.15; 462.396, Subdivisions 1 and 2; 462.397, Subdivisions 1, 2 and 5; 462.445, Subdivision 4; 462.695, Subdivision 2; 463.06; 465.036; 465.46; 465.55; 466.09; 471.191, Subdivision 2; 471.24; 471.61, Subdivisions 1 and 2a; 471.67; 471.69; 471.90; 471.95; 472A.06; 473.08, Subdivisions 1 and 2; 473.249; 473.325, Subdivision 2; 473.425; 473.438, Subdivision 3; 473.443; 473.446, Subdivisions 1, 1a, 2a and 3; 473.447; 473.521, Subdivision 4; 473.541, Subdivisions 1 and 2; 473.547; 473.621, Subdivision 5; 473.626; 473.627; 473.661, Subdivisions 2 and 3; 473.665, Subdivision 5; 473.667, Subdivisions 3, 4, 6 and 9; 474.10, Subdivisions 1 and 4; 475.53, Subdivisions 1, 3, 4 and 5; 475.58, Subdivision 1; 475.61, Subdivisions 1, 2, 3 and 4; 475.62; 475.63;

475.64; 475A.03, Subdivision 4; 475A.04, Subdivision 1; and 475A.06, Subdivision 6; and Chapters 276, by adding a section; 393, by adding a section; and 477A, by adding sections; repealing Minnesota Statutes 1976, Sections 256.879; 270.12, Subdivision 3; 270.18; 270.19; 270.20; 270.21; 270.22; 270.23; 270.24; 270.25; 270.26; 270.41; 270.42; 270.43; 270.44; 270.45; 270.46; 270.47; 270.48; 270.49; 270.50; 270.51; 270.52; 270.53; 272.011; 272.11; 272.28; 272.29; 272.30; 272.67; 273.011; 273.012; 273.04; 273.05; 273.051; 273.052; 273.053; 273.054; 273.055; 273.056; 273.06; 273.061; 273.063; 273.064; 273.065; 273.072; 273.075; 273.1102; 273.1103; 273.122; 273.13, Subdivisions 3, 6, 6a, 7, 7a, 7b, 7c, 10, 11, 12, 14a, 15a, 16, 17, 17a, 17b, 18, 19, and 20; 273.132; 273.133; 273.134; 273.135; 273.136; 273.137; 273.138; 273.17, Subdivision 2; 274.05; 274.10, Subdivision 3; 274.13; 274.14; 274.16; 274.17; 274.18; 274.19; 275.01; 275.03; 275.07; 275.075; 275.08; 275.09; 275.091; 275.092; 275.10; 275.11; 275.124; 275.125; 275.14; 275.15; 275.16; 275.161; 275.23; 275.26; 275.27; 275.28, Subdivisions 2 and 4; 275.29; 275.31; 275.32; 275.33; 275.34; 275.35; 275.44; 275.45; 275.46; 275.47; 275.48; 275.49; 275.50; 275.51; 275.52; 275.53; 275.54; 275.55; 275.551; 275.552; 275.56; 275.561; 275.57; 275.58; 275.59; 276.01; 276.02; 276.03; 276.06; 276.08; 276.09; 276.10; 276.11; 276.12; 276.13; 276.14; 279.04; 280.001; 280.01; 280.03; 280.04; 280.05; 280.06; 280.08; 280.09; 280.12; 280.13; 280.25; 280.26; 281.25; 281.273; 281.274; 281.275; 281.276; 281.277; 282.08; 282.09; 282.10; 282.11; 282.13; 282.322; 282.35; 282.38, Subdivision 2; 284.02; 284.04; 284.27; 290.0601; 290.0602; 290.0603; 290.0604; 290.0605; 290.0606; 290.0608; 290.0609; 290.061; 290.0611; 290.0612; 290.0614; 290.0615; 290.0616; 290.0618; 290.066; 290.981; 290.982; 290.983; 290.984; 290.985; 290.986; 290.987; 290.988; 290.989; 290.99; 290.991; 290.992; 290A.01; 290A.02; 290A.03; 290A.04; 290A.05; 290A.06; 290A.07; 290A.08; 290A.09; 290A.10; 290A.11; 290A.12; 290A.13; 290A.14; 290A.15; 290A.16; 290A.17; 290A.18; 290A.19; 290A.20; 290A.21; 290A.22; 298.28, Subdivisions 1a and 2; 298.281, Subdivisions 3 and 4; 298.282; 298.46, Subdivision 6; 298.283; 298.47; 298.65; 365.105; 367.05, Subdivision 1; 368.86; 375.192; 376.49; 376.58, Subdivision 5; 378.52, Subdivision 2; 382.20; 384.06; 385.40; 393.01; 393.02; 393.03; 393.04; 393.05; 393.06; 393.07; 393.08; 393.09; 393.10; 393.11; 393.12; 412.131; 412.531; 326.04; 447.05; 447.06; 447.07; 447.10; 447.11; 447.12; 447.13; 447.14; 447.15; 447.16; 447.31; 447.32; 447.33; 447.331; 447.34; 447.345; 447.35; 447.36; 447.37; 447.41; 458.192, Subdivision 11; 459.06, Subdivisions 2 and 3; 462.545, Subdivisions 5, 6, and 7; 462.575, Subdivision 3; 462.585; 462.651, Subdivisions 1 and 4; 462.655; 462.691; 462.695, Subdivision 1; 471.1921; 471.475; 471.71; 471.72; 471.73; 471.74; 471.75; 471.76; 471.77; 471.78; 471.79; 471.80; 471.81; 471.82; 471.83; 472A.07; 472A.08; 473.219; 473.341; 473.629; 473.633; 473.635; 473F.01; 473F.02; 473F.03; 473F.04; 473F.05; 473F.06; 473F.07; 473F.08; 473F.09; 473F.10; 473F.11; 473F.12; 473F.13; 474.10, Subdivisions 2 and 3; 475.53, Subdivision 2; 477A.01; 477A.02; and 477A.03.

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. 1208.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 4, 1977

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 515, 577, 1030, 451, 460, 787 and 1201.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 4, 1977

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H. F. Nos. 17, 611, 980, 1054, 314, 1310, 968, 536, 952, 1040, 1364, 782, 848, 856, 789, 954 and 1226.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 4, 1977

Mr. President:

I have the honor to announce that the House wishes to recall for the purpose of further consideration Senate File No. 919.

S. F. No. 919: A bill for an act relating to highway traffic regulations; prescribing the width of vehicles; amending Minnesota Statutes 1976, Section 169.80, Subdivision 2.

Edward A. Burdick, Chief Clerk, House of Representatives

May 4, 1977

Mr. Schmitz moved that the Senate accede to the request of the House for the recall of S. F. No. 919 for further consideration. 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. 515: A bill for an act relating to telephone companies; prohibiting charges for directory assistance; amending Minnesota Statutes 1976, Chapter 237, by adding a section.

Referred to the Committee on Commerce.

H. F. No. 577: A bill for an act relating to the city of St. Paul; authorizing an on-sale liquor license for the St. Paul Labor Centre, Inc.

Referred to the Committee on Commerce.

H. F. No. 1030: A bill for an act relating to health care plans; requiring minimum anticipated loss ratios for certain insurance plans; eliminating certain open enrollment requirements for non-profit health service plans; revising the Minnesota comprehensive health insurance act of 1976; revising the Minnesota catastrophic health expense protection act of 1976; making necessary improvements and corrections; further prescribing the powers and duties of the commissioner of insurance; further prescribing the powers and duties of the commissioner of public welfare; amending Minnesota Statutes 1976, Chapter 62E, by adding a section; and Sections 62A.02, Subdivision 3; 62A.17, Subdivision 6; 62D.10, Subdivision 1; 62E.02, Subdivisions 2, 8, 11 and 21; 62E.03, Subdivision 2; 62E.04, Subdivision 4, and by adding a subdivision; 62E.06; 62E.08; 62E.09; 62E.10, Subdivisions 1, 3, and 7; 62E.11, Subdivision 5; 62E.13, Subdivisions 2 and 4; 62E.14, Subdivision 1; 62E.53; and 62E.54, Subdivision 1; repealing Minnesota Statutes 1976, Section 62E.16.

Referred to the Committee on Finance.

H. F. No. 451: A bill for an act relating to banks; authorizing a bank to establish two detached banking facilities; providing for notice and approval procedures; amending Minnesota Statutes 1976, Sections 47.51; 47.52; 47.53; 47.54; and 47.55.

Referred to the Committee on Commerce.

H. F. No. 460: A bill for an act relating to retirement; adjustment in annuities through the adjustable fixed benefit fund; amending Minnesota Statutes 1976, Section 11.25, Subdivisions 3, 12 and 13.

Referred to the Committee on Governmental Operations.

H. F. No. 787: A bill for an act relating to savings banks; allowing savings banks to establish negotiable order of withdrawal accounts; imposing reserve requirements; amending Minnesota Statutes 1976, Chapter 50, by adding a section.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 678, now on the Calendar.

H. F. No. 1201: A bill for an act relating to insurance; requiring insurers to supply cover sheets for insurance policies; requiring insurers to issue readable insurance policies; establishing testing procedures for readability.

Referred to the Committee on Rules and Administration.

H. F. No. 17: A bill for an act relating to elections; providing

for special elections to the Minnesota legislature and the United States house of representatives; amending Minnesota Statutes 1976, Sections 202A.62, Subdivisions 1, 2 and 3; 202A.63; 202A.65, Subdivision 3; 202A.66, Subdivision 3; and 202A.67, Subdivision 2 and 3.

Referred to the Committee on Elections.

H. F. No. 611: A bill for an act relating to retirement; date for payment of monthly annuities and benefits; additional lump sum payments to certain retirees, disabilitants and surviving spouses; amending Minnesota Statutes 1976, Chapter 356, by adding a section; Sections 352.01, Subdivision 21; and 354.46, Subdivision 3.

Referred to the Committee on Governmental Operations.

H. F. No. 980: A bill for an act relating to public health; regulations for the preservation of public health; authorizing the state board of health to regulate the establishment, operation and maintenance of certain non-hospital clinical laboratories; amending Minnesota Statutes 1976, Section 144.12, Subdivision 1.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 1054: A bill for an act relating to welfare; aid to families with dependent children; changing certain eligibility qualifications; amending Minnesota Statutes 1976, Sections 256.73, Subdivisions 1, 2, 4 and by adding subdivisions; and 256.79.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 314: A bill for an act relating to Olmsted county; authorizing electronic recording of trial proceedings; providing for costs and payment.

Referred to the Committee on Judiciary.

H. F. No. 1310: A bill for an act relating to unemployment compensation; providing for conformity with federal requirements; providing for agricultural and domestic service employees; altering covered employment; regulating employer's contributions; providing for the noncharging of certain benefits; providing for extended benefits; providing for certain public employees; allowing certain political activities; changing total disqualification based on receipt of social security benefits; amending Minnesota Statutes 1976, Sections 268.04, Subdivisions 10, 12, 22, and 23, and by adding a subdivision; 268.06, Subdivisions 1, 5, 25 and 28, and by adding subdivisions; 268.07, by adding a subdivision; 268.071, Subdivisions 1 and 6; 268.08, Subdivisions 3, 4, and 5, and by adding subdivisions; 268.09, Subdivision 3, as amended; and 268.12, Subdivision 5; repealing Minnesota Statutes 1976, Section 268.08, Subdivision 5; and a portion of Laws 1975, Chapter 433, Section 11, Subdivision 4.

Referred to the Committee on Employment.

H. F. No. 968: A bill for an act relating to the pollution control agency; its powers and duties; prescribing additional enforcement powers with respect to air, land, noise and hazardous waste pollution control; amending Minnesota Statutes 1976, Section 116.07, by adding a subdivision.

Referred to the Committee on Agriculture and Natural Resources.

H. F. No. 536: A bill for an act relating to civil service; providing that promotion and place of service are separate considerations; amending Minnesota Statutes 1976, Section 43.19, by adding a subdivision.

Referred to the Committee on Governmental Operations.

H. F. No. 952: A bill for an act relating to courts; sixth judicial district; authorizing the position of domestic relations referee in St. Louis county; amending Minnesota Statutes 1976, Chapter 484, by adding a section.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 850 now in the Subcommittee on Bill Scheduling.

H. F. No. 1040: A bill for an act relating to finance; deleting obsolete provisions; changing and clarifying cross-references; authorizing commissioner of finance to transfer money to revolving funds in certain cases; transferring air travel account from commissioner of administration to commissioner of finance; codifying certain provisions formerly in session laws; appropriating money; amending Minnesota Statutes 1976, Sections 12.24, Subdivision 2; 15.50, Subdivision 5; 16.172; 16.80, Subdivision 1; 16A.126; 16A.17, Subdivision 9; 18.69; 43.43, Subdivision 2; 121.48, Subdivision 2; 124.212, Subdivision 19; 136.11, Subdivision 5; 136.144; 136.37; 136.55, Subdivision 2; and Chapters 16A, by adding a section; and 243, by adding a section; repealing Minnesota Statutes 1976, Sections 16.02, Subdivision 21; 16.026, Subdivision 5; and 16A.05; and Laws 1945, Chapter 575, Sections 19 and 21.

Referred to the Committee on Finance.

H. F. No. 1364: A bill for an act relating to the attorney general; changing appointments; removing restrictions on assignment of deputy and assistant attorneys general; amending Minnesota Statutes 1976, Sections 8.02 and 268.12, Subdivision 5; repealing Minnesota Statutes 1976, Sections 8.023; 8.024; 8.026; and 84.025, Subdivision 6.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1410 now on the Calendar.

H. F. No. 782: A bill for an act relating to education; school district organization; authorizing school districts to discontinue certain grades and provide instruction by contract with other districts; providing for aids, levies, and the contractual rights of teachers in

participating districts; amending Minnesota Statutes 1976, Sections 122.41; 122.43, Subdivision 1; and 122.44, Subdivision 1; and Chapter 122, by adding sections.

Referred to the Committee on Education.

H. F. No. 848: A bill for an act relating to retirement; Minneapolis municipal employees retirement fund; miscellaneous amendments; establishment of a coordinated program; amending Minnesota Statutes 1976, Sections 422A.01, by adding subdivisions; 422A.06, Subdivision 6; 422A.08, Subdivisions 2 and 5; 422A.09, Subdivision 3; 422A.16, by adding a subdivision; 422A.18, Subdivision 2; 422A.23, Subdivision 7, and by adding a subdivision; and Chapters 355, by adding sections; and 422A, by adding sections.

Referred to the Committee on Rules and Administration.

H. F. No. 856: A bill for an act relating to welfare; authorizing the establishment of a centralized disbursement system for payments and for food stamp benefit documents; amending Minnesota Statutes 1976, Section 256.01, by adding a subdivision.

Referred to the Committee on Health, Welfare and Corrections.

H. F. No. 789: A bill for an act relating to elections; establishing voter registration in all counties; changing required voter registration information; providing for reports of changes; amending Minnesota Statutes 1976, Sections 201.061, Subdivisions 3 and 6; 201.071; 201.091, by adding a subdivision; 201.14; 201.15; 201.27; 204A.37, Subdivision 1; 204A.46, Subdivision 2; and Chapter 201, by adding a section; repealing Minnesota Statutes 1976, Section 201.061, Subdivision 2.

Referred to the Committee on Finance.

H. F. No. 954: A bill for an act relating to juries; enacting the uniform juror selection and service act; providing for the selection and service of grand and petit jurors; providing penalties; repealing Minnesota Statutes 1976, Sections 3.081; 192.24; 357.26; 488A.07; 546.09; 593.03; 593.04; 593.05; 593.06; 593.07; 593.09; 593.10; 593.11; 593.12; 593.13; 593.14; 593.20; 628.42; 628.43; 628.44; 628.45; 628.46; 628.47; 628.49; 628.50; 628.51; 628.52; 628.53; 631.33; and Laws 1959, Chapter 219; and Extra Session Laws 1959, Chapter 19, Section 2.

Referred to the Committee on Judiciary.

H. F. No. 1226: A bill for an act relating to metropolitan airports; authorizing reimbursement to commission members; clarifying its organization and authority; granting emergency authority to expend funds; amending Minnesota Statutes 1976, Sections 473.605, Subdivisions 1 and 2; 473.606, Subdivisions 1 and 4; 473.608, Subdivisions 1, 15 and 17; 473.611, Subdivision 5; 473.621, Subdivisions 2 and 4; 473.641, Subdivision 2; 473.652; repealing

Minnesota Statutes 1976, Sections 473.611, Subdivisions 1, 2, 3 and 4; and 473.621, Subdivision 1.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1131 now in the Subcommittee on Bill Scheduling.

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. Willet from the Committee on Agriculture and Natural Resources, to which was referred the following appointment as reported in the Journal for April 13, 1977:

STATE SOIL AND WATER CONSERVATION BOARD

Thomas R. Schulz

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. Olson from the Committee on General Legislation and Veterans Affairs, to which was referred

H. F. No. 261: A bill for an act relating to veterans; permitting the commissioner of veterans affairs to act as guardian for minors or incompetents without posting bond; amending Minnesota Statutes 1976, Chapter 196, by adding a section.

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

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

H. F. No. 398: A bill for an act relating to protection of the environment; prohibiting sale of pressurized containers using certain chlorofluorocarbon propellants; prescribing penalties.

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

Page 1, line 15, strike "3" and insert "4"

Page 1, after line 22, insert

"Subd. 3. Commencing January 1, 1978, no person shall sell or offer for sale at wholesale in this state a pressurized container using chlorofluorocarbon propellants unless the container has prominently displayed on the front panel this statement: "Warning: Contains a chlorofluorocarbon that may harm the public health and environment by reducing ozone in the upper atmosphere." "

Page 2, line 5, strike "by"

Page 2, strike lines 6, 7 and 8 and insert "to the sale of such compounds for use in the cleaning, maintenance, testing and repair of electronic equipment."

Page 2, after line 8, insert

"Subd. 5. The provisions of subdivision 2 shall be superseded upon the enactment or adoption of any federal law or final regulation prohibiting the manufacture or sale of any aerosol product utilizing saturated chlorofluorocarbons not containing hydrogen."

Renumber the subdivisions in sequence

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

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

S. F. No. 1406: A bill for an act relating to agriculture; clarifying certain terms; eliminating six months license provision; permitting license suspension; permitting waiver of the right to a hearing; clarifying weighing locations and weighing fees; amending Minnesota Statutes 1976, Sections 17A.03, Subdivisions 6 and 7; 17A.04, Subdivision 1, and by adding a subdivision; 17A.05, Subdivision 2; 17A.06, Subdivisions 2 and 3; 17A.10; and 17A.11

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

Page 3, line 21, strike " , which"

Page 3, strike the new language in lines 22, 23 and 24

Page 3, line 26, after the period insert "*If the bond is executed on a form furnished by the commissioner, the bond shall be limited to the protection of claimants whose residence or principal place of livestock business is in the state of Minnesota at the time of the transaction. If the bond is filed on a form in accordance with the Packers and Stockyards Act, the bond shall cover claimants regardless of place of residence.*"

Page 4, line 23, reinstate the stricken language after "notify"

Page 5, line 2, strike "alleged breach" and insert "transaction"

Page 6, line 20, strike "markets at which the"

Page 6, strike line 21

Page 6, line 22, strike "250 or more; and" and insert "facilities,"

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

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 16: A bill for an act relating to insurance; providing

for interest on unpaid benefits; amending Minnesota Statutes 1976, Chapter 61A, by adding a section.

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

Page 1, line 18, after "*policy*" strike "*or*" and insert "*insuring the life of a person resident in this state at the time of death*"

Page 1, line 19, strike "*certificates issued in this state*"

Page 2, line 13, after "*policy*" strike "*or*" and insert "*insuring the life of a person resident in this state at the time of death*"

Page 2, line 14, strike "*certificate issued in this state*"

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

Mr. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 675: A bill for an act relating to insurance; changing the filing date for annual statements of township mutual companies; changing limitations on property insurable by township mutual companies; changing limitations on investments by township mutual companies; amending Minnesota Statutes 1976, Sections 67A.11, Subdivision 3; 67A.14, Subdivisions 1 and 5; and 67A.23.

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

Mr. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 947: A bill for an act relating to railroads; allowing reduced rates for transportation of waste material for reprocessing; amending Minnesota Statutes 1976, Section 218.021, Subdivision 2.

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

Mr. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 672: A bill for an act relating to insurance; providing for determination of the participation ratio; providing for higher limits of liability coverage and uninsured motorist coverage; amending Minnesota Statutes 1976, Sections 65B.02, Subdivision 7; 65B.06, Subdivision 2; and 65B.49, Subdivision 6.

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

H. F. No. 319: A bill for an act relating to daytime activity cen-

ters; renaming them developmental achievement centers; making the necessary revisions in Minnesota Statutes; amending Minnesota Statutes 1976, Sections 123.39, Subdivision 13; 252.21; 252.22; 252.23; 252.24; 252.25; and 252.26.

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

Page 8, line 3, strike "*this act*" and insert "*sections 1 to 7*"

Page 8, line 5, strike "*of this act*"

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1335: A bill for an act relating to welfare; authorizing the establishment of a centralized disbursement system for payments and for food stamp benefit documents; amending Minnesota Statutes 1976, Section 256.01, by adding a subdivision.

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

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 296: A bill for an act relating to insurance; providing for the establishment and operation of a Minnesota life and health insurance guaranty association; providing protection for policyowners, insureds, beneficiaries, and others against the failure of an insurer doing business in Minnesota; amending Minnesota Statutes 1976, Sections 60B.17, by adding a subdivision; 60B.25; 60B.26, Subdivision 2; 60B.30, by adding a subdivision; and 60B.46, Subdivision 1.

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

Page 4, after line 22, insert:

"Subd. 14. "Commissioner" means the commissioner of insurance of the state of Minnesota and, in his absence or disability, his deputy or other person duly designated to act in his place."

Page 5, line 7, strike "*of insurance*"

Page 6, after line 1, insert "*association for their services.*"

Sec. 6. [61B.06] [POWERS AND DUTIES OF THE ASSOCIATION.] *Subdivision 1. [IMPAIRED DOMESTIC INSURER.]*"

Page 6, lines 6 and 16, after "*liquidation*" insert "*, conservation*"

Page 7, line 3, strike "*association*" and insert "*association*"

Page 9, line 4, strike "*The association*" and insert "*, but the*"

aggregate liability of the association shall not exceed \$100,000 in cash values, or \$300,000 for all benefits, including cash values, with respect to any one life."

Page 9, strike lines 5 to 8

Page 18, after line 18, insert:

"Subd. 5. [PROHIBITED SALES PRACTICE.] No person shall make use of the protection afforded by sections 1 to 16 in the sale of insurance. Any person violating this section shall be guilty of a misdemeanor."

Page 18, line 26, strike " ; FEDERAL AND FOREIGN "

Page 18, line 27, strike "STATE TAXES"

Page 18, line 27, before "The" insert "Subdivision 1. [STATE FEES AND TAXES.] The association shall be exempt from payment of all fees and all taxes levied by this state or any of its subdivisions, except taxes levied on real property.

Subd. 2. [FEDERAL AND FOREIGN STATE TAXES.]"

Page 19, line 8, before the comma insert "as to the impaired insurer"

Page 19, line 10, after "may" insert "at any time when an insurer is an impaired insurer"

Page 19, line 12, after "default" insert "of the impaired insurer"

Page 23, line 31, strike "which controlled it" and insert "owning more than 50 percent of the voting stock of the insurer"

Page 24, line 9, strike "that controlled" and insert "owning more than 50 percent of the voting stock of"

Page 24, line 13, strike "delcared" and insert "declared"

Page 24, line 24, strike "dividend" and insert "distribution"

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

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 937: A bill for an act relating to Ramsey county; deleting obsolete provisions in the Ramsey county code relating to parks and recreation; amending Laws 1974, Chapter 435, Section 1.0205.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 1129: A bill for an act relating to Ramsey county; codifying existing laws relating to the composition, terms, selection and redistricting of the board of commissioners; providing for the time and place of certain board meetings; authorizing rules of procedure and the keeping and publication of a board journal; amending Laws 1974, Chapter 435, Section 2.05, and by adding sections; repealing Laws 1974, Chapters 435, Sections 2.01, 2.02 and 2.06; and 576, Section 2, Subdivisions 1, 2, 3 and 5.

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

Mr. Wegener from the Committee on Local Government, to which was referred

H. F. No. 323: A bill for an act relating to Dakota county; providing that the office of administrative assistant to the sheriff shall be unclassified.

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

Page 1, line 16, strike "said" and insert "the"

Page 1, line 18, strike "said" and insert "the"

Page 1, line 21, after the period insert "It shall be the responsibility of the Dakota county board of commissioners to determine whether a conflict or lack of impartiality exists."

Amend the title as follows:

Page 1, line 4, before the period insert "; authorizing sheriff's civil service commissioners to hold other public office or employment; providing for a per diem".

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources, to which was referred

S. F. No. 1444: A bill for an act relating to the Minnesota state water pollution control fund; clarifying eligibility for 15 percent matching grants financed by the fund; eliminating certain matching grants; authorizing the issuance of Minnesota state water pollution control bonds; appropriating money; amending Minnesota Statutes 1976, Sections 116.16, Subdivision 6; and 116.18, Subdivisions 1 and 4.

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

Page 2, line 7, after "municipality" insert "except the metropolitan waste control commission created by section 473.503"

Page 2, line 10, after "fund" insert "unless other facilities are needed to abate an immediate health hazard"

Page 2, line 15, strike "\$133,000,000" and insert "\$135,000,000"

Page 3, lines 17 to 22, restore the stricken language

Page 3, line 20, strike "25" and insert "15"

Page 3, line 23, restore "grant" and restore the period on line 24

Page 3, line 24, restore "The agency may limit the scope and eligible"

Page 3, line 25, restore the stricken language

Page 4, line 6, strike "\$122,000,000" and insert \$124,000,000"

And so when amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

H. F. No. 823: A bill for an act relating to public health; permitting plastic well casings; amending Minnesota Statutes 1976, Chapter 156A, by adding a section.

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1465: A bill for an act relating to public welfare; mandating the working of certain general assistance recipients; allowing the use of general assistance funds for the work equity program; empowering the commissioner of public welfare to contract for recipient services and grant distribution; amending Minnesota Statutes 1976, Sections 256D.02, by adding subdivisions; 256D.04; 256D.06, by adding a subdivision; and 256D.11, Subdivisions 1 and 4, and by adding subdivisions.

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

Page 4, line 16, strike "work" and insert "program"

Page 4, line 17, after "such" insert "community project"

Page 4, line 24, after "Subd. 3a." insert "Participants in the work equity program shall be paid at the same wage rates as public employees doing similar work, however,"

Page 5, line 13, strike "may" and insert "shall"

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 629: A bill for an act relating to public welfare; estab-

lishing home care programs for the needy; appropriating money; amending Minnesota Statutes 1976, Section 256B.51.

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

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1976, Section 256B.02, Subdivision 8, is amended to read:

Subd. 8. "Medical assistance" or "medical care" means payment of part or all of the cost of the following care and services for eligible individuals whose income and resources are insufficient to meet all of such cost:

- (1) Inpatient hospital services.
- (2) Skilled nursing home services.
- (3) Physicians' services.
- (4) Outpatient hospital or clinic services.
- (5) Home health care services.
- (6) Private duty nursing services.
- (7) Physical therapy and related services.
- (8) Dental services.
- (9) Laboratory and x-ray services.
- (10) The following if prescribed by a licensed practitioner: drugs, eyeglasses, dentures, and prosthetic devices.
- (11) Diagnostic, screening, and preventive services.
- (12) Health care pre-payment plan premiums and insurance premiums if paid directly to a vendor and supplementary medical insurance benefits under Title XVIII of the Social Security Act.
- (13) Transportation costs incurred solely for obtaining medical care when paid directly to an ambulance company, common carrier, or other recognized providers of transportation services.
- (14) Any other medical or remedial care licensed and recognized under state law.
- (15) *Personal care services in a recipient's home rendered by an individual, not a member of the family, who is qualified to provide the services, when the services are prescribed by a physician in accordance with a plan of treatment and are supervised by a registered nurse.*

Page 2, line 9, reinstate the stricken language

Page 2, line 10, reinstate "the cost of"

Page 2, line 10, reinstate "homemaker services," and after "services," insert "home health services, nutritional services."

Page 2, line 12, reinstate "social services,"

Page 2, line 12, reinstate "and"

Page 2, line 13, reinstate "related transportation expenses"

Page 2, line 15, strike "The"

Page 2, strike lines 16 to 18, except the period on line 18

Page 2, line 19, strike "*for the payment of*" and insert "*In determining the grants, the commissioner may also consider*"

Page 3, line 9, strike "\$250,000" and insert "\$1,988,000"

Further, amend the title as follows:

Page 1, line 2, after "welfare;" insert "providing coverage for personal care services under medical assistance;"

Page 1, line 4, strike "Section" and insert "Sections 256B.02, Subdivision 8; and"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources to which was referred

H. F. No. 139: A bill for an act relating to natural resources; revising certain provisions relating to St. Croix Wild River state park.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Willet from the Committee on Agriculture and Natural Resources to which was referred

H. F. No. 1421: A bill for an act relating to natural resources; designating wild rice as the official state grain; amending Minnesota Statutes 1976, Chapter 1, by adding a section.

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

Page 1, line 13, strike "*and a typical specimen*"

Page 1, line 15, strike "*shall*" and insert "*may*"

Page 1, line 15, strike "*preserved*" and insert "*displayed*"

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

Mr. Willet from the Committee on Agriculture and Natural Resources to which was referred

H. F. No. 1275: A bill for an act relating to agriculture; grain inspection and weighing; fees; providing a basis for establishing and adjusting fees; amending Minnesota Statutes 1976, Section 17B.15, Subdivision 2.

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

Page 3, line 2, strike "3" and insert "2"

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

Mr. Laufenburger from the Committee on Employment to which was referred

H. F. No. 313: A bill for an act relating to unemployment compensation; providing eligibility for benefits for certain retired workers; amending Minnesota Statutes 1976, Section 268.09, Subdivision 1, as amended by Laws 1977, Chapter 4.

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

Mr. Laufenburger from the Committee on Employment to which was referred

S. F. No. 1426: A bill for an act relating to economic development; industrial development bonds; removing requirement of approval by commissioner of economic development; amending Minnesota Statutes 1976, Section 474.01, Subdivision 7.

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

Page 2, after line 3, insert:

"Sec. 2. Minnesota Statutes 1976, Section 474.01, is amended by adding a subdivision to read:

Subd. 7a. No municipality shall undertake any project authorized by this chapter until the commissioner of securities has approved the project, on the basis of preliminary information which the commissioner may require, as tending to further the purposes and policies of this chapter. Approval shall not be deemed to be an approval by the commissioner of securities or the state of the feasibility of the project or the terms of the revenue agreement to be executed or the bonds to be issued therefor, and the commissioner shall state this in communicating approval."

Amend the title as follows:

Line 6, before the period, insert ", and by adding a subdivision"

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. 461, 921, 635, 808, 791 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
635	784			461	101
808	832			921	962
791	559				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 635 be amended as follows:

Page 2, line 11, after "*engaged*" insert "*or is about to engage*"

And when so amended, H. F. No. 635 will be identical to S. F. No. 784 and further recommends that H. F. No. 635 be given its second reading and substituted for S. F. No. 784 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 808 be amended as follows:

In the title, line 2, after "*improvement*" insert a semicolon

And when so amended, H. F. No. 808 will be identical to S. F. No. 832 and further recommends that H. F. No. 808 be given its second reading and substituted for S. F. No. 832 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 791 be amended as follows:

Page 4, line 31, after "*fulfilled*" insert "*to the satisfaction of the Minnesota historical society and upon the recommendation of its executive committee*"

And when so amended, H. F. No. 791 will be identical to S. F. No. 559 and further recommends that H. F. No. 791 be given its second reading and substituted for S. F. No. 559 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 461 be amended as follows:

Page 1, lines 14 and 15, restore the stricken "*he*" and delete "*a recipient or applicant*"

Page 1, line 16, restore the stricken "*he*" and delete "*a recipient or applicant*"

Page 2, lines 8 and 9, delete "*by a court*"

Page 3, line 18, before "*The*" insert

"The amount of food stamps incorrectly issued shall be the difference between the amount of food stamps actually received and the amount to which the recipient would have been entitled under state and federal law had the welfare agency been informed of all material facts."

Page 3, line 18, delete "*by a court*"

And when so amended, H. F. No. 461 will be identical to S. F.

No. 101 and further recommends that H. F. No. 461 be given its second reading and substituted for S. F. No. 101 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 921 be amended as follows:

Pages 2, lines 8 to 12, restore the stricken language

Page 2, line 11, strike "\$100" and insert "\$160"

Page 2, line 14, after the period insert "*In those cases where a single arbitrator is hearing a dispute, the fees, expenses and costs of the arbitrator shall be shared and assessed equally by the parties to the dispute.*"

And when so amended, H. F. No. 921 will be identical to S. F. No. 962 and further recommends that H. F. No. 921 be given its second reading and substituted for S. F. No. 962 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. 801 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		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
				801	797
				1130	1135

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 801 be amended as follows:

Page 5, line 7, after "*unauthorized connection*" insert a comma and after "*whether*" insert "*by*"

Page 5, line 8, delete the comma after "*connection*" and insert a semicolon

Page 5, line 10, after "*microwave*" insert "*equipment*"

Page 5, line 11, after "*238*" insert "*or to a television set*" and delete "*Nothing*"

Page 5, delete lines 12 to 17

Page 5, line 22, delete everything after "*misdemeanor*:"

Page 5, delete lines 23 to 28 and insert

"(1) *intentionally and with the purpose of making or aiding in an unauthorized connection to a licensed cable communica-*

tions system as defined in chapter 238 sells, rents, lends, offers or advertises for sale, rental or use, any instrument, apparatus, equipment, device or plan, specification or instruction for making an unauthorized connection; or

(2) intentionally tampers with, removes or injures any cable, wire, or other component of a licensed cable communications system as defined in chapter 238; or

(3) intentionally and without claim of right interrupts a service of a licensed cable communications system as defined in chapter 238."

And when so amended, H.F. No. 801 will be identical to S. F. No. 797 and further recommends that H. F. No. 801 be given its second reading and substituted for S. F. No. 797 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 2, line 14, before "Failure" insert "The"

Page 2, lines 14 and 15, delete "on file" and insert "filed"

Page 2, line 16, after "void" insert " , two days after dispatch by the commissioner by certified or registered mail of notice of such suspension, addressed to the last known address of the motor carrier,"

Page 2, line 18, delete "The"

Page 2, delete lines 19 to 22

Further amend the title in lines 7 and 8 by deleting "registration fee exemptions;" and inserting "permitting lesser registration fees for certain interstate motor carriers;"

And when so amended, H. F. No. 1130 will be identical to S. F. No. 1135 and further recommends that H. F. No. 1130 be given its second reading and substituted for S. F. No. 1135 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. 405 and 343 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

H. F. No. 343 was compared with S. F. No. 1354, now in the Committee on Rules and Administration.

GENERAL ORDERS CONSENT CALENDAR CALENDAR

H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
405	399				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 405 be amended as follows:

Page 1, line 18, after "that" insert "possession of"

Page 1, line 20, delete "shall"

Page 1, lines 21 to 23, delete the underscored language and insert "on the premises of a nonprofit organization and operated by organizations licensed for such operation pursuant to section 3 of this act shall not be cause for revocation of a license"

Page 2, line 13, after "be" insert "kept or"

Page 2, line 16, delete "349.26" and insert "3 of this act"

Page 2, line 27, delete "shall mean" and insert "means"

Page 2, line 31, delete "is" and insert "means"

Page 3, line 2, delete "is" and insert "means"

Page 3, line 7, delete "is a lottery" and insert "means a game"

Page 3, line 8, after "which" insert "a"

Page 3, line 13, delete the comma

Page 3, line 19, delete the comma and insert a semicolon

Page 3, line 24, delete "and such" and insert ", and the"

Page 4, line 1, delete "regulations" and insert "rules or ordinances"

Page 4, line 3, delete "regulations," and insert "laws," and delete "regulations" and insert "rules or ordinances"

Page 4, line 5, delete "License" and insert "Licenses"

Page 4, line 6, after "organization" insert "covered by section 290.05, subdivision 1, clauses (i) and (k)"

Page 4, line 15, after "and" insert "the"

Page 6, line 6, delete "unless" and insert "upon"

Page 6, delete lines 7 and 8 and insert "premises which it owns or leases except that tickets for raffles conducted in accordance with this section may be sold off such premises. Leases unless authorized at another location by the local unit of government shall be for a period of not less than one year, and shall be in writing. No such lease shall provide that rental payments be based on a percentage of receipts or profits from gambling devices or raffles. Copies of all such leases shall be provided to the licensing local unit of government."

Page 6, line 23, before "is" insert "Subdivision 3,"

Delete page 6, line 25 to page 7, line 6

Page 7, line 24, delete "349.26, subdivision 1" and insert "3, subdivision 1a"

Delete page 7, line 27 to page 9, line 6

Page 9, line 13, delete "349.26, subdivision 1" and insert "3, subdivision 1a"

Page 9, line 14, delete "349.26" and insert "3 of this act"

Renumber the sections in sequence

Further, amend the title

Line 6, after "609.75" insert ", Subdivision 3"

Line 7, delete "609.76; Chapters" and insert "Chapter"

And when so amended, H. F. No. 405 will be identical to S. F. No. 399 and further recommends that H. F. No. 405 be given its second reading and substituted for S. F. No. 399 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 343 be amended as follows: (including amendments from the Senate Committee on Judiciary reported May 3, 1977.)

Strike everything after the enacting clause and insert

"Section 1. Minnesota Statutes 1976, Chapter 617, is amended by adding a section to read:

[617.246] [PROHIBITING PROMOTION OF MINORS TO ENGAGE IN OBSCENE WORKS.] *Subdivision 1.* [DEFINITIONS.] (a) *For the purpose of this section, the terms defined in this subdivision shall have the meanings given them.*

(b) *"Minor" means any person who has not attained his or her 18th birthday.*

(c) *"Promote" means to produce, direct, publish, manufacture, issue, or advertise.*

(d) *"Sexual performance" means any play, dance or other exhibition presented before an audience or for purposes of visual or mechanical reproduction which depicts patently offensive sexual conduct as defined by clause (f).*

(e) *"An obscene work" is a picture, a film, photograph, negative, slide, drawing or similar visual representation depicting a minor, which taken as a whole appeals to pedophiles or to the prurient interest in sex of the average person, which portrays patently offensive sexual conduct and which, taken as a whole, does not have serious literary, artistic, political or scientific value. In determining whether or not a work is an obscene work the trier of the fact must find: (i) that the average person, applying contemporary community standards would find that the work, taken as a whole appeals to pedophiles or to the prurient interest in sex of the average person; and (ii) that the work depicts patently offensive sexual conduct specifically defined by clause (f); and (iii) that the work, taken as a whole, lacks serious literary, artistic, political or scientific value.*

(f) "Patently offensive sexual conduct" includes any of the following depicted sexual conduct if the depiction involves a minor:

(i) An act of sexual intercourse, normal or perverted, actual or simulated, including genital-genital, anal-genital, or oral-genital intercourse, whether between human beings or between a human being and an animal.

(ii) Sadoomasochistic abuse, meaning flagellation or torture by or upon a person who is nude or clad in undergarments or in a revealing costume or the condition of being fettered, bound or otherwise physically restrained on the part of one so clothed.

(iii) Masturbation or lewd exhibitions of the genitals including any explicit, close up representation of a human genital organ.

(iv) Physical contact or simulated physical contact with the clothed or unclothed pubic areas or buttocks of a human male or female, or the breasts of the female, whether alone or between members of the same or opposite sex or between humans and animals in an act of apparent sexual stimulation or gratification.

Subd. 2. [USE OF MINOR.] It is unlawful for a person to knowingly promote, employ, use or permit a minor to engage in or assist others to engage in posing or modeling alone or with others in any sexual performance for purposes of preparing an obscene work.

A violation of this subdivision is a felony.

Subd. 3. [OPERATION OR OWNERSHIP OF BUSINESS.] A person who owns or operates a business knowing an obscene work, as defined in this section, is disseminated therein, is guilty of a felony.

Subd. 4. [DISSEMINATION.] A person who, knowing its content and character, disseminates for profit an obscene work, as defined in this section, is guilty of a misdemeanor."

Further, strike the title and insert

"A bill for an act relating to obscenity; prohibiting the promotion or employment of minors as models alone or with others in sexual performances for purposes of preparing an obscene work; prohibiting the ownership or operation of a business which disseminates certain obscene works; prohibiting the dissemination of certain obscene works; prescribing penalties; amending Minnesota Statutes 1976, Chapter 617, by adding a section."

And when so amended, H. F. No. 343 will be identical to S. F. No. 1354 and further recommends that H. F. 343 be given its second reading and substituted for S. F. 1354 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. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 1457: A bill for an act relating to taxation; changing definitions of gross income for income tax purposes and income for low income credit purposes; increasing certain individual credits; including amounts of certain pensions and benefits above employee contributions in gross income; broadening income tax credit to include all individual income subject to tax in another state; changing certain income tax deductions; changing provisions of allocation of gross income to this state; providing for withholding of tax from military pay; providing minimum tax on preference items; removing non-school district debt limitation from property classifications; changing certain tax levy administration procedures; changing definition of income, dependent and household income and changing amount of income-adjusted homestead credit; increasing local government aids and changing distribution and appeal procedures; providing a dependent care income tax credit; changing property tax levy limits for local governmental subdivisions; increasing school aids; decreasing assessed values of certain kinds of property; increasing state paid agricultural credit; providing school district levy procedures for 1977 and 1978; decreasing employer's tax; providing employer's tax credit to railroad companies; exempting newsprint from sales tax; providing an alternative sales tax procedure for railroad rolling stock; establishing a tax study commission; establishing procedures for estimated occupation tax; changing taconite tax provisions; establishing taconite environmental and economic protection fund; appropriating money; amending Minnesota Statutes 1976, Sections 124.212, Subdivision 7b; 256.82; 273.13, Subdivisions 4, 6 and 7; 273.132; 273.134; 273.135, Subdivision 2; 275.07; 275.50, Subdivision 5; 275.51, by adding subdivisions; 275.52, Subdivision 2; 276.01; 276.04; 290.01, Subdivision 20; 290.012, Subdivision 4; 290.031, Subdivisions 3, 4 and 6; 290.06, Subdivision 3c; 290.08, Subdivision 6; 290.081; 290.09, Subdivisions 4 and 5; 290.17; 290.92, Subdivisions 1 and 16; 290A.03, Subdivisions 3 and 7; 290A.04, Subdivisions 1 and 2; 290A.05; 295.02; 297A.14; 297A.211, by adding a subdivision; 297A.25, Subdivision 1; 298.03; 298.22, Subdivision 1 and by adding a subdivision; 298.24, Subdivision 1; 298.244, Subdivision 2; 298.25; 298.27; 298.28, Subdivision 1; 298.282, Subdivisions 1 and 2; 477A.01, Subdivisions 1, 2, 3, and 4 and by adding subdivisions; Chapter 3, by adding a section; Chapter 290, by adding sections; and Chapter 298, by adding sections; repealing Minnesota Statutes 1976, Sections 273.011; 273.012; 290.09, Subdivisions 24 and 26; 290.65, Subdivision 1; and 290.066; 294.27; 294.28; 298.24, Subdivision 2; 298.241; 298.243; 298.244, Subdivision 1; 298.28, Subdivision 1a; and 298.281.

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

Page 4, strike lines 22 to 28

Renumber the clauses

Page 6, strike lines 22 to 24

Renumber the clauses

Page 6, line 31, after "income," insert: "*the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and*"

Page 7, line 3, strike "; and"

Page 7, strike lines 4 to 6

Pages 12 and 13, strike section 4 and insert:

"Sec. 4. Minnesota Statutes 1976, Section 290.06, Subdivision 3d, is amended to read:

Subd. 3d. [CREDITS AGAINST TAX.] *In the case of a claimant and his spouse whose combined taxable net income as defined in section 290.18, is less than \$12,000, the taxes due as computed in accordance with section 290.06, subdivisions 2c and 3c shall be credited with the following amounts:*

- (1) A credit equal to his tax liability in the case of:
 - (a) An unmarried claimant with an income of \$4,400 or less;
 - (b) A claimant with one dependent, with an income of \$5,200 or less;
 - (c) A claimant with two dependents, with an income of \$6,000 or less;
 - (d) A claimant with three dependents, with an income of \$6,700 or less;
 - (e) A claimant with four dependents, with an income of \$7,300 or less; and
 - (f) A claimant with five or more dependents, with an income of \$7,800 or less.

(2) In the case of a claimant with an income in excess of that set forth in the appropriate category of clause (1), he may pay a tax equal to 15 percent of that portion of his income that is in excess of the amount set forth in the appropriate category of clause (1), or his tax obligation as it would have been in the absence of section 290.012 and this subdivision, whichever is less.

(3) The total income of the claimant and his spouse, if any, shall be the figure employed for the purposes of this subdivision. No individual dependent upon and receiving his chief support from any other individual may be a claimant under section 290.012 and this subdivision. The commissioner of revenue shall prescribe the additional forms or alterations in existing forms as this subdivision. All claimants shall submit their returns on these necessary to comply with the provisions of section 290.012 and forms."

Page 20, line 32, strike the comma and insert a period

Page 21, strike lines 1 to 3

Page 27, line 25, strike "or" and insert a comma

Page 27, line 25, strike "*of a resident decedent*" and insert "*or trust*"

Page 28, line 5, after "*Sections*" insert "*290.08, Subdivision 6;*"

Page 28, line 28, strike "\$325" and insert "*\$350 for taxes payable in 1978 and \$375 for taxes payable in 1979 and thereafter*"

Page 30, line 1, strike "\$325" and insert "*\$350 for taxes payable in 1978 and \$375 for taxes payable in 1979 and thereafter*"

Page 31, line 14, strike "\$325" and insert "*\$350 for taxes payable in 1978 and \$375 for taxes payable in 1979 and thereafter*"

Page 31, after line 19, insert:

"Sec. 3. Minnesota Statutes 1976, Section 273.13, Subdivision 14a, is amended to read:

Subd. 14a. [BUILDINGS AND APPURTENANCES ON LAND NOT OWNED BY OCCUPANT.] The property tax to be paid in respect of the value of all buildings and appurtenances thereto owned and used by the occupant as a permanent residence, which are located upon land subject to property taxes and the title to which is vested in a person or entity other than the occupant, for all purposes except the payment of principal and interest on bonded indebtedness, shall be reduced by 45 percent of the amount of the tax in respect of said value as otherwise determined by law, but by more than ~~\$325~~ *\$350 for taxes payable in 1978 and \$375 for taxes payable in 1979.*"

Page 34, line 31, before the stricken period, insert "1976" and restore the period

Page 34, line 32, restore the stricken language

Page 35, lines 1 and 2, restore the stricken language

Page 35, line 3, restore all the stricken language except "Income"

Page 35, line 7, strike "1976"

Page 35, after line 7, insert:

"Sec. 8. Minnesota Statutes 1976, Section 290A.03, Subdivision 5, is amended to read:

Subd. 5. [HOUSEHOLD INCOME.] "Household income" means all income received by all persons of a household in a calendar year while members of the household, *other than income of a dependent.*"

Page 35, line 10, strike "person" and insert "*member of the claimant's household*"

Page 35, strike line 11

Page 35, line 13, strike the language after "claimant,"

Page 35, strike line 14

Page 35, line 15, strike "support from the claimant"

Page 35, after line 16, insert:

"Sec. 10. Minnesota Statutes 1976, Section 290A.03, Subdivision 8, is amended to read:

Subd. 8. [CLAIMANT.] "Claimant" means a person *other than a dependent* who filed a claim authorized by sections 290A.01 to 290A.21 and who was domiciled in this state during the calendar year for which the claim for relief was filed. In the case of a claim relating to rent constituting property taxes, the claimant shall have resided in a rented or leased unit on which ad valorem taxes 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. 11. Minnesota Statutes 1976, Section 290A.03, Subdivision 13, is amended to read:

Subd. 13. [PROPERTY TAXES PAYABLE.] (a) "Property taxes payable" means the property tax exclusive of special assessments, penalties, and interest payable on a claimant's homestead before reductions made pursuant to section 273.13, subdivisions 6 and 7, but after deductions made pursuant to sections 273.132 and 273.135, in 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, "property taxes payable" is that part of the property taxes payable on the homestead as reflects the percentage of ownership of the claimant and, *his spouse or dependent*. Property taxes are considered payable in the year prescribed by law for payment of the taxes.

(b) In the case of a claim relating to "property taxes payable", the claimant must have owned and occupied the homestead on January 2 of the year in which the tax is payable homestead owned during part of a year by a person and during the rest of the year by one or more other persons, "property taxes payable" means for each such person the product of multiplying "property taxes payable" on the homestead for the year by a fraction the numerator of which is the number of days the person owned the homestead and the denominator of which is 365. "Property taxes payable" shall not include any property taxes attributable to a period during which the property was not a homestead. In computing the credit allowable under section 290A.04, each person shall be deemed to have received the homestead credit authorized by section 273.13, subdivisions 6 and 7, in the same proportion as "property taxes payable" are allocated to him pursuant to this clause."

Page 35, line 32, strike "\$65" and insert "\$60"

Page 36, line 7, after the period insert "Except as provided in subdivisions 2a and 2b,"

Page 37, after line 7, insert:

"Sec. 14. Minnesota Statutes 1976, Section 290A.04, is amended by adding a subdivision to read:

Subd. 2a. For claimants who are homeowners, the maximum credit amounts provided in subdivision 2 shall be increased by \$25 for claims based on taxes payable in 1978, and by an additional \$25 for claims based on taxes payable in 1979.

Sec. 15. Minnesota Statutes 1976, Section 290A.04, is amended by adding a subdivision to read:

Subd. 2b. An additional credit shall be allowed each claimant whose claim is based on taxes paid on the home he owns in an amount equal to 30 percent of the amount by which property taxes payable exceed the sum of (a) the credit calculated pursuant to subdivisions 2 and 2a and (b) the percentage of the claimant's household income specified in subdivision 2. The sum of the credits provided in subdivisions 2, 2a and this subdivision shall not exceed the maximum amounts provided below.

For claimants earning:

\$ 0 to 19,999, up to \$800;

20,000 to 25,999, up to \$800;

26,000 to 35,999, up to \$650;

36,000 and over, up to \$350, for taxes payable in 1978, and \$375 for taxes payable in 1979; provided that maximum credits for incomes above \$20,000 decline according to the following schedule:

between \$20,000 and \$26,000 decline \$25 per \$1,000; between \$26,000 and \$36,000 decline \$30 per \$1,000 for taxes payable in 1978, and \$25 per \$1,000 for taxes payable in 1979."

Page 37, line 11, strike "another" and insert "a"

Page 37, line 12, strike "and" and insert "or" and strike "excluding"

Page 37, strike line 13

Page 37, line 14, strike "contract,"

Page 37, line 15, strike "or claimants"

Page 37, line 17, strike "the other" and insert "all"

Page 37, line 18, after "homestead" insert "*other than his dependents, renters, lessees or sublessees*" and strike "If a person occupies a"

Page 37, strike lines 19 to 22

Page 37, line 23, strike the language after "If"

Page 37, line 24, strike "homestead under rental or lease agreement" and insert "*a person rents, leases or subleases a part of his homestead to a person other than his dependent*"

Page 37, line 26, after "be" insert "*only*" and strike "not covered by the rental agreement" and insert "*attributable to the part of the homestead not rented, leased or subleased for the duration of the rental agreement or lease*"

Page 37, after line 26, insert:

"Sec. 17. Minnesota Statutes 1976, Section 290A.10, is amended to read:

290A.10 [PROOF OF TAXES PAID.] Every claimant who files a claim for relief for property taxes payable shall include with his claim a property tax statement or a reproduction thereof in a form deemed satisfactory by rule of the commissioner of revenue indicating that there are no delinquent property taxes on the homestead. Indication on the property tax statement from the county treasurer that there are no delinquent taxes on the homestead shall be sufficient proof.

Sec. 18. Laws 1976, Chapter 334, Section 21, is amended to read:

Sec. 21. [EFFECTIVE DATE.] Sections 5, 6, 8, 10, 11, 13, 17 and 19 are effective the day following final enactment. Sections 12 and 15 are effective for taxable years beginning after December 31, 1975. Sections 7, 9 and 20 are effective for taxes payable in 1977 and subsequent years. Section 16 shall be effective for claims filed in 1977 and subsequent years. Section 14 is a declaration of law existing prior to enactment of Laws 1975, Chapter 349, Section 17, and is not a change in such preexisting law. Sections 1, 15 and 18 are effective for taxable years beginning after December 31, 1974. Sections 2, 3 and 4 are effective for taxable years beginning after December 31, 1976.

Sec. 19. *Claims filed for income-adjusted homestead credit pursuant to section 11 shall not be subject to the penalties for late filing provided in Minnesota Statutes, Section 290A.06.*"

Page 37, line 29, strike "1, 2, 6, 7, 8, 9" and insert "4, 5, and 6"

Page 37, strike lines 30 to 32

Page 38, line 1, strike "and 5"

Page 38, line 2, after the period insert "*Section 18 is effective the day following final enactment. The remainder of this article is effective for claims based on rent paid in 1977 and subsequent years and property taxes payable in 1978 and subsequent years.*"

Reorder the sections in sequence

Page 40, line 30, strike "7" and insert "6"

Page 41, strike lines 10 to 32 and insert:

"[AMOUNT OF CREDIT.] A taxpayer may take as a credit against the tax due from him and his spouse, if any, under chapter 290 an amount equal to 50 percent of the dependent care credit for which he is eligible pursuant to the provisions of section 44A of the Internal Revenue Code of 1954, as amended through December 31, 1976, subject to the limitations provided in subdivision 2.

Subd. 2. [LIMITATIONS.] The credit for expenses incurred for the care of 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 a taxable year. The total credit shall be reduced by five percent of the amount by which the combined federal adjusted gross income of the claimant and his spouse, if any, exceeds \$15,000 which is used for purposes of computing the credit under section 44A of the Internal Revenue Code of 1954, as amended through December 31, 1976. A married claimant shall file his income tax return for the year for which he claims the credit either jointly or separately on one form with his spouse. In the case of a married claimant only one spouse may claim the credit. No expense for which a medical expense deduction is claimed pursuant to section 290.09, subdivision 10, shall be claimed as a dependent care expense."

Reorder the subdivisions in sequence

Page 42, strike lines 1 to 32

Page 43, strike lines 1 to 15

Page 43, line 25, strike "Subd. 6." and insert "Sec. 2."

Page 43, line 26, strike "this section" and insert "section 1"

Reorder the sections in sequence

Page 44, after line 2, insert:

"Section 1. Minnesota Statutes 1976, Section 275.09, Subdivision 3, is amended to read:

Subd. 3. [TOWN PURPOSES.] There shall be levied annually on each dollar of taxable property, except such as is by law otherwise taxable, as assessed and entered on the tax lists for town purposes in towns having a population of more than 3,500, such

amount as is voted at any legal town meeting, the rate of which tax shall not exceed, exclusive of such sums as are voted at the annual town meeting for road and bridge purposes, $3\frac{1}{8}$ mills in any town having a population of more than 7,000, excluding the population of any cities therein, $1.6\frac{2}{3}$ mills in any town having a taxable valuation of \$100,000 or more, and the amount of which shall not exceed \$350 in any town having a taxable valuation of less than \$100,000, and the rate of which shall not exceed one percent in any town. The rate of tax for road and bridge purposes in any town shall not exceed the rate provided by section 164.04. In any town in which the amount levied within the above limitations is not sufficient to enable the town to carry on its necessary governmental functions, the electors, during the business hours, after disposing of the annual report, may make an additional levy of not to exceed $1.6\frac{2}{3}$ mills to enable the town to carry on such necessary governmental functions.

Sec. 2. Minnesota Statutes 1976, Section 275.10, Subdivision 1, is amended to read:

275.10 [TAX LEVY IN TOWNS.] Subdivision 1. [RATE.] The total amount of taxes, exclusive of money and credits taxes, levied in each calendar year by or for any town *having a population in excess of 3,500*, through the vote of the town meeting or the electors of such town or otherwise, and by or for any board or commission thereof, for any and all general or special purposes whatsoever, including payment of indebtedness and bonds, shall not exceed $5\frac{1}{2}$ mills on the dollar of the assessed taxable valuation of the property in the town, exclusive of money and credits, whenever such levy of $5\frac{1}{2}$ mills upon the dollar of such assessed taxable valuation will produce a total levy of town taxes as great as or greater than an average of \$1,000 per government section of the entire area of such town, according to government survey of the property therein in any one calendar year, and no such town, by vote of the electors or otherwise, shall contract debts or make expenditures in any calendar year in excess of the amount of taxes assessed for that year, plus any available unexpended balance in prior years against which obligations have not been incurred. *For any town having a population of less than 3,500 the mill rate shall be that mill rate fixed by a vote of the electors of the town at their annual meeting or a special meeting called for that purpose.*

Sec. 3. Minnesota Statutes 1976, Section 275.31, is amended to read:

275.31 [LIMITATION OF SECTIONS 275.31 TO 275.35.] Sections 275.31 to 275.35 apply to all towns in the state having a population of more than ~~3,000~~ *3,500*, exclusive of incorporated cities therein, and an assessed valuation of taxable property, exclusive of money and credits, of more than \$10,000,000."

Page 53, after line 7, insert:

"Sec. 8. Minnesota Statutes 1976, Section 275.59, is amended to read:

275.59 [CITIES UNDER 2,500; TOWNS UNDER 3,500 POPULATION; EXEMPTION FROM LEVY LIMITS.] Commencing with levy year 1975 1977 and thereafter, taxes payable in 1976 1978 and thereafter, the provisions of sections 275.50 to 275.56 shall not apply to any ~~city, home rule charter or statutory city or town with statutory city powers~~ whose population according to the latest state or federal census is under 2,500 or to any town with statutory city powers whose population according to the latest state or federal census is under 3,500."

Page 53 line 8, strike "Section 4" and insert "Sections 1 to 3 and 7 and 8 are"

Page 53, line 9, after "thereafter" insert ", provided the increases of the levy limit base made pursuant to section 1 shall not be subject to the limitation provided in section 275.52, subdivision 4 for levy year 1977"

Renumber the sections in sequence

Page 57, line 17, after "1979" insert "and thereafter"

Page 59, line 18, strike "All" and insert "Class 3cc property shall include only"

Page 59, line 19, after "by" insert ": (a)"

Page 59, line 21, strike "by" and insert "(b)"

Page 59, line 22, after "who" insert ": (1)"

Page 59, line 24, strike "who" and insert "(2)"

Page 59, line 30, strike "who" and insert "(3)"

Page 60, line 2, after "or" insert "(c)" and after "who" insert "(1)"

Page 60, line 3, strike "who" and insert "(2)"

Page 60, line 3, after "receiving" insert "(i)"

Page 60, line 4, strike "who is receiving"

Page 60, line 5, before "supplemental" insert "(ii)" and strike "who is"

Page 60, line 6, strike "receiving" and insert "(iii)"

Page 60, line 7, strike "who is receiving" and insert "(iv)"

Page 60, line 8, strike "who is receiving" and insert "(v)"

Page 60, line 12, strike ", shall constitute" and insert a period and after "class 3cc" strike "and" and insert "property"

Page 98, line 18, after "county" insert "in this state"

Page 109, after line 25, insert:

"ARTICLE XI

Section 1. [PAYMENTS IN LIEU OF TAXES ON CERTAIN TAX EXEMPT LANDS.] *Subdivision 1. As used in this section*

"tax exempt land" means tax-forfeited land within the state which is owned by the state and administered by the county in which located.

Subd. 2. There is annually appropriated from the general fund to the commissioner of revenue for payment to the several counties within the state an amount equal to 75 cents per acre multiplied by the number of acres of tax exempt land situated in each county as of July 1 of each year. Each county auditor shall certify to the department of revenue during July in 1977 and each subsequent year the number of acres of tax exempt land within his county. The commissioner of revenue may, in addition to the certification of acreage, require descriptive lists of land so certified.

Subd. 3. Payments to the counties shall be made during the month of January of the year next following certification.

Subd. 4. Of the amount paid to any county, 7.5 cents shall be paid to each organized township within the county for each acre of tax exempt land in the township; 50 percent of the amount paid to the county shall be apportioned to the tax forfeited land fund of the county for use in resource development, forest management, game and fish habitat improvement, and recreational development and maintenance. The balance of funds received shall remain in the county general revenue fund to be used to provide property tax levy reduction.

Sec. 2. Minnesota Statutes 1976, Chapter 273, is amended by adding a section to read:

[273.139] [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 1978 shall receive reimbursement in 1978 and subsequent years for the difference between the tax determined pursuant to subdivision 2, clause (a) and that payable on the value assessed pursuant to Minnesota Statutes, Section 273.13, Subdivision 17 or 17b, on structures used as housing for the elderly or for low and moderate income families and on structures financed by farmers home administration loans and that payable on the value assessed on class 3cc property pursuant to section 273.13, subdivision 7.

Subd. 2. (a) The county auditor shall calculate the tax on the property described in subdivision 1 in the same manner as the property would be assessed if it did not qualify for the reduced valuation provided for in Minnesota Statutes, Section 273.13, Subdivisions 7, 17 or 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 Minnesota Statutes, Section 273.13, Subdivisions 7, 17 or 17b shall be distributed to the taxing districts by the commissioner of revenue in the same proportion that the ad valorem tax on the property is distributed. He shall make payment directly to the affected taxing districts on July 15 of each year, commencing in 1978.

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.

Sec. 3. Minnesota Statutes 1976, 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 pay taxes accordingly in 1978 or previous years. Structures which initially qualify for assessment and pay taxes under this subdivision in years subsequent to 1978 shall be assessed at 20 percent of their adjusted market value.*

Sec. 4. Minnesota Statutes 1976, Section 275.51, is amended by adding a subdivision to read:

Subd. 3d. The property tax levy limitation for governmental subdivisions in 1977 payable in 1978 shall be calculated as follows:

(a) *In cities and townships, the sum of the levy limit base computed pursuant to subdivision 3c, 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 1976. 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 1977 payable in 1978.*

(b) *In the case of counties, the levy limit base computed pursuant to subdivision 3c, plus any increases authorized by section 275.52, subdivision 4, shall be divided by the population of the county for calendar year 1977 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 1977 payable in 1978.*

(c) In all governmental subdivisions the levy limit base per capita for 1977 payable 1978 shall be multiplied by the population of the governmental subdivision as determined pursuant to section 275.53 for calendar year 1977. This is the levy limit base for 1977 taxes payable in 1978.

The levy limit base shall be reduced by the full amount of: state formula aids to be paid in 1978 pursuant to section 477A.01; taconite aids to be paid in 1978 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; payments in lieu of taxes on tax exempt land made to townships and to the county general fund pursuant to section 1; and payments made pursuant to section 2 as compensation to taxing districts for reduced assessment property. The resulting figure is the amount of property taxes which a governmental subdivision may levy in 1977 payable in 1978 for all purposes other than those for which special levies and special assessments are made.

Sec. 5. Minnesota Statutes 1976, Section 276.04, is amended to read:

276.04 [NOTICE OF RATES; PROPERTY TAX STATEMENTS.] On receiving the tax lists from the county auditor, the county treasurer shall, if directed by the county board, give three weeks' published notice in a newspaper specifying the rates of taxation for all general purposes and the amounts raised for each specific purpose. He shall, whether or not directed by the county board, cause to be printed on all tax statements, or on an attachment, a tabulated statement of the dollar amount due to each taxing authority and the amount to be paid to the state of Minnesota from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the state, county, township or municipality and school district shall be separately stated but the amounts due other taxing districts, if any, may be aggregated. The 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. *The statement shall also contain the reductions attributable to the aids given pursuant to sections 1 and 2.* 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 273.132 as "state paid agricultural credit" and the amount attributable to section 273.13, subdivisions 6 and 7 as "state paid homestead credit" and shall indicate that the reduc-

tion attributable to aids given pursuant to sections 1 and 2 is given by the state of Minnesota. 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. 6. [APPROPRIATION.] *A sum sufficient to make the distributions provided in section 2 shall be annually appropriated from the general fund to the commissioner of revenue.*"

Amend the title as follows:

Page 1, line 13, after "items;" insert "increasing the homestead credit maximum; increasing the income-adjusted credit for homeowners;"

Page 1, line 35, after "fund;" insert "providing for payment to counties containing tax-forfeited lands and Title II and class 3cc property;"

Page 1, line 37, after "6" insert a comma

Page 1, line 38, strike "and" and after "7" insert ", 14a, and 17b"

Page 1, line 39, after "275.07;" insert "275.09, Subdivision 3; 275.10, Subdivision 1; 275.31;"

Page 1, line 40, after "2;" insert "275.59;"

Page 2, line 3, after "290.06," strike "Subdivision" and insert "Subdivisions" and after "3c" insert "and 3d" and strike "290.08, Subdivision 6;"

Page 2, line 6, after "3" strike "and" and insert ", 5," and after "7" insert ", 8 and 13"

Page 2, line 7, after "2" insert ", and by adding subdivisions"

Page 2, line 7, after "290A.05;" insert "290A.10;"

Page 2, line 14, after "section;" insert "Chapter 273, by adding a section;"

Page 2, line 15, after "sections;" insert "and Laws 1976, Chapter 334, Section 21;"

Page 2, line 18, after "290.066;" insert "290.08, Subdivision 6;"

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

SECOND READING OF SENATE BILLS

S. F. Nos. 1406, 1335, 1465, 1426 and 1457 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 139, 937, 323, 635, 808, 791, 461, 921, 801, 1130, 343 and 405 were read the second time.

H. F. Nos. 261, 398, 16, 675, 947, 672, 319, 823, 1421, 1275, 313, 296 and 1129 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Lewis moved that his name be stricken as co-author to S. F. No. 859. The motion prevailed.

Pursuant to Rule 21, Mr. Lewis moved that the following members be excused for a Conference Committee on S. F. No. 1416:

Messrs. Kirchner, Lewis, Milton, Moe and Perpich. The motion prevailed.

Pursuant to Rule 21, Mr. Solon moved that the following members be excused for a Conference Committee on S. F. No. 1034:

Messrs. Dunn, Setzepfandt and Solon. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Senate Calendar and Consent Calendar. The motion prevailed.

THIRD READING OF SENATE BILLS

S. F. No. 497: A bill for an act relating to human rights; prohibiting certain discrimination; amending Minnesota Statutes 1976, Sections 363.01, by adding a subdivision; 363.02, Subdivision 2; and 363.03, Subdivisions 1, 2, 5 and 8.

Mr. Spear moved that S. F. No. 497 be returned to the Committee on Judiciary. The motion prevailed.

S. F. No. 1086: A bill for an act relating to license fees; permitting municipalities to set maximum fees for off-sale intoxicating liquor licenses with a maximum annual increase in fees; and for licenses for the sale of cigarettes; amending Minnesota Statutes 1976, Sections 340.11, Subdivision 14 and 461.12.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Knutson	Olson	Sillers
Bang	Hanson	Laufenburger	Penny	Staples
Benedict	Hughes	Lessard	Perpich	Stokowski
Bernhagen	Humphrey	Lewis	Peterson	Strand
Brataas	Jensen	Luther	Pillsbury	Stumpf
Chmielewski	Johnson	Menning	Purfeerst	Tennessee
Coleman	Keefe, J.	Moe	Renneke	Ueland, A.
Davies	Keefe, S.	Nelson	Schaaf	Ulland, J.
Dieterich	Kirchner	Nichols	Schmitz	Vega
Dunn	Kleinbaum	Ogdahl	Schrom	Wegener
Engler	Knoll	Olhoff	Setzepfandt	Willett

Mr. Merriam voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1070: A bill for an act relating to franchises; concerning franchise fees; amending Minnesota Statutes 1976, Sections 80C.01, Subdivisions 4 and 9; 80C.08, Subdivision 1; and 80C.09, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Lessard	Penny	Solon
Bang	Hanson	Lewis	Perpich	Spear
Benedict	Hughes	Luther	Peterson	Staples
Bernhagen	Humphrey	Menning	Pillsbury	Stokowski
Brataas	Jensen	Merriam	Purfeerst	Strand
Chmielewski	Johnson	Milton	Renneke	Stumpf
Coleman	Keefe, J.	Moe	Schaaf	Tennessee
Davies	Keefe, S.	Nelson	Schmitz	Ueland, A.
Dieterich	Kirchner	Nichols	Setzepfandt	Ulland, J.
Dunn	Knoll	Ogdahl	Sieloff	Vega
Engler	Knutson	Olhoft	Sikorski	Wegener
Gearty	Laufenburger	Olson	Sillers	Willet

Mr. Kleinbaum voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 157: A bill for an act relating to elections; providing for payment of costs of certain special elections; imposing duties on the secretary of state; appropriating money; amending Minnesota Statutes 1976, Section 204A.24.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hanson	Lewis	Peterson	Stokowski
Bang	Hughes	Luther	Pillebury	Strand
Benedict	Humphrey	Menning	Purfeerst	Stumpf
Bernhagen	Jensen	Merriam	Renneke	Tennessee
Brataas	Johnson	Milton	Schaaf	Ueland, A.
Chmielewski	Keefe, J.	Moe	Schmitz	Ulland, J.
Coleman	Keefe, S.	Nelson	Schrom	Vega
Davies	Kirchner	Nichols	Setzepfandt	Wegener
Dieterich	Kleinbaum	Ogdahl	Sikorski	Willet
Dunn	Knoll	Olhoft	Sillers	
Engler	Knutson	Olson	Solon	
Gearty	Laufenburger	Penny	Spear	
Gunderson	Lessard	Perpich	Staples	

So the bill passed and its title was agreed to.

S. F. No. 158: A bill for an act relating to taxation; payments in lieu of taxes on certain tax exempt land; providing for state reimbursement of taxing districts for tax reductions on Title II, farmers home administration, and class 3cc property; appropriating funds; amending Minnesota Statutes 1976, Sections 273.13, Subdivision 17b; 275.51, by adding a subdivision; 276.04; and Chapter 273, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Lessard	Perpich	Spear
Ashbach	Hughes	Lewis	Peterson	Staples
Bang	Humphrey	Luther	Pillsbury	Stokowski
Benedict	Jensen	Menning	Purfeerst	Strand
Chmielewski	Johnson	Milton	Renneke	Stumpf
Coleman	Keefe, J.	Moe	Schaaf	Tennessee
Davies	Keefe, S.	Nelson	Schmitz	Ueland, A.
Dieterich	Kirchner	Nichols	Setzepfandt	Ulland, J.
Dunn	Kleinbaum	Ogdahl	Sieloff	Vega
Engler	Knoll	Olhoft	Sikorski	Wegener
Gearty	Knutson	Olson	Sillers	Willet
Gunderson	Laufenburger	Penny	Solon	

Mrs. Brataas, Messrs. Merriam and Schrom voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1106: A bill for an act relating to solid waste disposal; authorizing counties to prohibit transportation of solid waste to other counties for disposal; authorizing counties to designate disposal sites for solid waste generated within their boundaries; amending Minnesota Statutes 1976, Section 400.04, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 43 and nays 20, as follows:

Those who voted in the affirmative were:

Benedict	Humphrey	Lewis	Penny	Staples
Chmielewski	Jensen	Luther	Perpich	Stokowski
Coleman	Johnson	Merriam	Peterson	Strand
Davies	Keefe, J.	Milton	Purfeerst	Stumpf
Dieterich	Kirchner	Moe	Schaaf	Vega
Gearty	Kleinbaum	Nelson	Schmitz	Wegener
Gunderson	Knoll	Nichols	Setzepfandt	Willet
Hanson	Laufenburger	Olhoft	Solon	
Hughes	Lessard	Olson	Spear	

Those who voted in the negative were:

Anderson	Brataas	Knutson	Renneke	Sillers
Ashbach	Dunn	Menning	Schrom	Tennessen
Bang	Engler	Ogdahl	Sieloff	Ueland, A.
Bernhagen	Keefe, S.	Pillsbury	Sikorski	Ulland, J.

So the bill passed and its title was agreed to.

THIRD READING OF HOUSE BILLS

H. F. No. 320: A bill for an act relating to labor; providing for a change in the application of the tip credit in computing minimum wage; amending Minnesota Statutes 1976, Sections 177.23, Subdivision 9; 177.24; and 177.28, Subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 48 and nays 14, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lewis	Peterson	Strand
Benedict	Hanson	Luther	Pillsbury	Stumpf
Bernhagen	Hughes	Merriam	Schaaf	Tennessen
Chmielewski	Humphrey	Milton	Schmitz	Ueland, A.
Coleman	Johnson	Nelson	Sikorski	Ulland, J.
Davies	Keefe, S.	Nichols	Sillers	Vega
Dieterich	Kirchner	Ogdahl	Solon	Wegener
Dunn	Kleinbaum	Olhoft	Spear	Willet
Engler	Knoll	Penny	Staples	
Gearty	Laufenburger	Perpich	Stokowski	

Those who voted in the negative were:

Ashbach	Jensen	Lessard	Purfeerst	Setzepfandt
Bang	Keefe, J.	Menning	Renneke	Sieloff
Brataas	Knutson	Moe	Schrom	

So the bill passed and its title was agreed to.

Pursuant to Rule 21, Mr. Moe moved that the following members be excused for a Conference Committee on H. F. No. 1510:

Messrs. Tennessen, Stumpf, Ogdahl, Moe and Keefe, J. The motion prevailed.

CONSENT CALENDAR

S. F. No. 1418: A bill for an act relating to bodies of water; allowing counties to exercise certain functions with approval of district; amending Minnesota Statutes 1976, Section 378.32, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Knutson	Peterson	Staples
Bang	Gunderson	Laufenburger	Pillsbury	Stokowski
Benedict	Hanson	Lessard	Purfeerst	Strand
Bernhagen	Hughes	Luther	Renneke	Ulland, A.
Brataas	Humphrey	Menning	Schmitz	Ulland, J.
Chmielewski	Jensen	Merriam	Setzpfandt	Vega
Coleman	Johnson	Milton	Sieloff	Wegener
Davies	Keefe, S.	Nelson	Sikorski	Willet
Dieterich	Kirchner	Olhoff	Sillers	
Dunn	Kleinbaum	Olson	Solon	
Engler	Knoll	Penny	Spear	

So the bill passed and its title was agreed to.

H. F. No. 1003: A bill for an act relating to motor vehicles; licensing and taxation; providing for biennial payment of the tax assessed on certain trailers; dimensional specifications for trailer number plates; amending Minnesota Statutes 1976, Sections 168.013, Subdivision 1d; and 168.12.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Laufenburger	Peterson	Stokowski
Bang	Hanson	Lessard	Pillsbury	Strand
Benedict	Hughes	Luther	Purfeerst	Ulland, A.
Bernhagen	Humphrey	Menning	Renneke	Ulland, J.
Brataas	Jensen	Merriam	Schmitz	Vega
Chmielewski	Johnson	Milton	Sieloff	Wegener
Davies	Keefe, S.	Nelson	Sikorski	Willet
Dieterich	Kirchner	Nichols	Sillers	
Dunn	Kleinbaum	Olhoff	Solon	
Engler	Knoll	Olson	Spear	
Gearty	Knutson	Penny	Staples	

Mr. Setzpfandt voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1065, a Special Order to be heard immediately.

S. F. No. 1065: A bill for an act relating to the public employees retirement association; authorizing the acquisition of real estate and the construction of a building thereon; authorizing a lease with the state and specifying minimum rents; appropriating money.

Mr. Davies moved that S. F. No. 1065 on Special Orders, be stricken and re-referred to the Committee on Finance.

CALL OF THE SENATE

Mr. Stokowski imposed a call of the Senate for the proceedings on S. F. No. 1065. The following Senators answered to their names:

Anderson	Gearty	Knutson	Olhoff	Sieloff
Aashbach	Gunderson	Laufenburger	Penny	Sikorski
Bang	Hanson	Lessard	Perpich	Spear
Benedict	Humphrey	Lewis	Peterson	Staples
Bernhagen	Jensen	Luther	Pillsbury	Strand
Coleman	Johnson	Menning	Renneke	Ueland, A.
Davies	Keefe, S.	Merriam	Schaaf	Vega
Dieterich	Kirchner	Nelson	Schmitz	Willet
Dunn	Knoll	Nichols	Setzepfandt	

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

The question was taken on the adoption of the Davies motion.

Mr. Ashbach moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 29 and nays 24, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Lewis	Pillsbury	Spear
Bang	Engler	Luther	Renneke	Staples
Bernhagen	Gunderson	Merriam	Schroem	Ueland, A.
Brataas	Jensen	Nichols	Setzepfandt	Ulland, J.
Davies	Kirchner	Olhoff	Sieloff	Willet
Dieterich	Knutson	Penny	Sillers	

Those who voted in the negative were:

Anderson	Hanson	Kleinbaum	Nelson	Sikorski
Benedict	Hughes	Knoll	Perpich	Stokowski
Chmielewski	Humphrey	Laufenburger	Peterson	Strand
Coleman	Johnson	Lessard	Schaaf	Vega
Gearty	Keefe, S.	Menning	Schmitz	

The motion prevailed. So S. F. No. 1065 was re-referred to the Committee on Finance.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 896 a Special Order to be heard immediately.

S. F. No. 896: A bill for act relating to the establishment of a power plant site and transmission line route selection authority in the environmental quality board; providing penalties; amending Minnesota Statutes 1976, Sections 116C.52, Subdivision 3, and by adding subdivisions; 116C.53; 116C.54; 116C.55, Subdivisions 2 and 3; 116C.57; 116C.58; 116C.59, Subdivision 1; 116C.61, Subdivisions 2 and 3; 116C.64; 116C.69; and Chapter 116C, by adding a section; repealing Minnesota Statutes 1976, Sections 116C.55, Subdivision 1; and 116C.56.

CALL OF THE SENATE

Mr. Merriam imposed a call of the Senate for the proceedings on S. F. No. 896. The following Senators answered to their names:

Anderson	Gearty	Knoll	Olhoft	Sieloff
Bang	Gunderson	Laufenburger	Penay	Sikorski
Benedict	Hanson	Lessard	Perpich	Sillers
Bernhagen	Hughes	Lewis	Peterson	Solon
Chmielewski	Humphrey	Luther	Pillsbury	Spear
Coleman	Johnson	Menning	Renneke	Staples
Davis	Keefe, S.	Merriam	Schaaf	Vega
Dieterich	Kirchner	Nelson	Schmitz	Wegener
Dunn	Kleinbaum	Nichols	Setzepfandt	

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

Mr. Merriam moved to amend S. F. No. 896 as follows:

Page 25, line 10, after "tax" insert "*revenue derived from the tax on that line*"

The motion prevailed. So the amendment was adopted.

Mr. Merriam then moved to amend S. F. No. 896 as follows:

Page 17, line 24, strike "*private*"

Page 17, line 24, strike "*, except property owned*" and insert "*defined as class 3, 3b, 3c, 3cc, 3d, or 3f pursuant to section 273.13*"

Page 17, line 25, strike "*by a railroad or mining company,*"

Page 17, line 30, after "*utility*" insert "*within 60 days after his receipt of the petition filed pursuant to section 117.055*"

Page 17, line 30, after the period insert "*The required acquisition of land contiguous to, but outside the designated right-of-way of a route or the boundary of a site, shall be considered an acquisition for a public purpose and for use in the utility's business, for purposes of chapter 117D and section 500.24, respectively; provided that a utility shall divest itself completely of all such lands used for farming or capable of being used for farming within five years within the date of acquisition, or such land shall be sold at a public sale in the manner prescribed by law for the foreclosure of a mortgage by action.*"

Page 24, line 30, strike "*subject to property taxation*" and insert "*defined as class 3, 3b, 3c, 3cc, 3d, or 3f pursuant to section 273.13*"

Page 25, line 4, after "*parcel*" insert "*defined as class 3, 3b, 3c, 3cc, 3d, or 3f pursuant to section 273.13*"

The motion prevailed. So the amendment was adopted.

Mr. Merriam then moved to amend S. F. No. 896 as follows:

Page 25, line 11, strike "*2*" and insert "*26*"

The motion prevailed. So the amendment was adopted.

S. F. No. 896 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 56 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Gerty	Laufenburger	Perpich	Staples
Ashbach	Gunderson	Lessard	Peterson	Stokowski
Bang	Hanson	Luther	Pillsbury	Strand
Benedict	Hughes	Menning	Renneke	Stumpf
Bernhagen	Humphrey	Merriam	Schaaf	Ueland, A.
Brataas	Jensen	Moe	Schmitz	Vega
Chmielewski	Johnson	Nelson	Schrom	Wegener
Coleman	Keefe, J.	Nichols	Setzepfandt	Willet
Davies	Keefe, S.	Ogdahl	Sikorski	
Dieterich	Kirchner	Olhoff	Sillers	
Dunn	Knoll	Olson	Solon	
Engler	Knutson	Penny	Spear	

Mr. Sieloff voted in the negative.

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 341 a Special Order to be heard immediately.

S. F. No. 341: A bill for act relating to taxation; providing for a credit against income tax for the cost of care for certain dependents; appropriating money; amending Minnesota Statutes 1976, Chapter 290, by adding a section; repealing Minnesota Statutes 1976, Section 290.09, Subdivision 26.

Mr. Dieterich moved to amend S. F. No. 341 as follows:

Page 2, line 4, strike the language after "\$15,000"

Page 2, strike line 5

Page 2, line 6, strike "*amended through December 31, 1976*"

The motion prevailed. So the amendment was adopted.

S. F. No. 341 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knoll	Penny	Spear
Ashbach	Gerty	Knutson	Peterson	Staples
Bang	Gunderson	Laufenburger	Pillsbury	Stokowski
Benedict	Hanson	Lessard	Renneke	Strand
Bernhagen	Hughes	Luther	Schaaf	Stumpf
Brataas	Humphrey	Menning	Schmitz	Ulland, J.
Chmielewski	Jensen	Merriam	Setzepfandt	Vega
Coleman	Johnson	Nelson	Sieloff	Willet
Davies	Keefe, S.	Nichols	Sikorski	
Dieterich	Kirchner	Olhoff	Sillers	
Dunn	Kleinbaum	Olson	Solon	

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Dieterich moved that the names of Messrs. Lessard and Sieloff be added as co-authors to S. F. No. 341. The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 531 a Special Order to be heard immediately.

H. F. No. 531: A bill for act relating to banks; permitting banks to take second mortgages in federal disaster areas; amending Minnesota Statutes 1976, Section 48.19, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Kleinbaum	Penny	Solon
Ashbach	Gearty	Knoll	Peterson	Spear
Bang	Gunderson	Knutson	Pillsbury	Staples
Benedict	Hanson	Laufenburger	Renneke	Stokowski
Bernhagen	Hughes	Lessard	Schaaf	Strand
Brataas	Humphrey	Luther	Schmitz	Stumpf
Chmielewski	Jensen	Menning	Setzepfandt	Ulland, J.
Coleman	Johnson	Nichols	Sieloff	Vega
Dieterich	Keefe, J.	Olhoft	Sikoriski	Willet
Dunn	Kirchner	Olson	Sillers	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Ashbach moved that the Committee on Elections be directed to meet at its regularly scheduled time, 3:00 p.m., on Thursday, May 5, 1977, for the purpose of considering H. F. No. 1500, the bill providing for the popular election of a United States Senator in the event of a vacancy.

CALL OF THE SENATE

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

Anderson	Gunderson	Knutson	Peterson	Staples
Bang	Hanson	Laufenburger	Pillsbury	Stokowski
Benedict	Hughes	Lessard	Renneke	Strand
Bernhagen	Humphrey	Luther	Schmitz	Stumpf
Brataas	Jensen	Merriam	Schmitz	Tennessee
Chmielewski	Johnson	Nelson	Sieloff	Ulland, J.
Coleman	Keefe, S.	Nichols	Sikoriski	Vega
Dieterich	Kirchner	Olhoft	Sillers	Willet
Dunn	Kleinbaum	Olson	Solon	
Engler	Knoll	Penny	Spear	

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

The question was taken on the adoption of the Ashbach motion.

Mr. Hughes moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 17 and nays 36, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Kirchner	Pillsbury	Ulland, J.
Bang	Engler	Knutson	Renneke	
Bernhagen	Jensen	Ogdahl	Sieloff	
Brataas	Keefe, J.	Penny	Sillers	

Those who voted in the negative were:

Anderson	Hanson	Lessard	Schmitz	Tennessee
Benedict	Hughes	Luther	Sikoraki	Vega
Chmielewski	Humphrey	Merriam	Solon	Wegener
Coleman	Johnson	Nichols	Spear	Willet
Davies	Keefe, S.	Olhoff	Staples	
Dieterich	Kleinbaum	Olson	Stokowaki	
Gearty	Knoll	Peterson	Strand	
Gunderson	Laufenburger	Schaaf	Stumpf	

The motion did not prevail.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to 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 Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 698, 1029, 544, 556 and H. F. Nos. 166, 524, 307, 930, 563, 521, 334, 308, 621, 114, 42, 75, 33, 970, 685, 1248, 1099, 103, 598, 414, 525, 229, 1005, 888, 1038, 1172, 326, 1469, 439, 293, 920, 1006, 691, 337, 140, 777, 882, 188 and 212 which the committee recommends to pass.

S. F. No. 57 which the committee recommends be re-referred to the Committee on Education.

H. F. No. 324 which the committee recommends to pass, subject to the following motions:

Mr. Schmitz moved that the amendment made to H. F. No. 324 by the Committee on Rules and Administration in the report adopted April 23, 1977, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Schmitz moved to amend H. F. No. 324 as follows:

Page 5, after line 3, insert:

"Sec. 5. Section 357.09 shall not relate to or affect the fees of the sheriff of Ramsey county."

The motion prevailed. So the amendment was adopted.

H. F. No. 40 which the committee recommends to pass, subject to the following motions:

Mr. Spear moved that the amendment made to H. F. No. 40 by the Committee on Rules and Administration in the report adopted April 14, 1977, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Dieterich moved to amend H. F. No. 40 as follows:

Page 2, line 7, strike "*and before July 1, 1978*"

Page 2, strike lines 12 to 21

Page 2, line 22, strike "*(c)*" and reinstate the stricken "*(b)*"

The motion prevailed. So the amendment was adopted.

H. F. No. 300 which the committee recommends to pass, after the following motion:

Mr. Jensen moved to amend H. F. No. 300 as follows:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1976, Section 201.061, Subdivision 3, is amended to read:

Subd. 3. A person who on election day presents himself at the polling place for the precinct in which he resides and who is not registered but is otherwise eligible to vote may nevertheless vote upon registering. A person may register at this time by completing a registration card, making an oath in the form prescribed by the commissioner and providing proof of his residence. An individual may prove his residence by (1) the showing of his drivers license or a receipt showing his driver's license has been surrendered for change of address or other reason or a nonqualification certificate issued pursuant to section 171.07, or (2) providing any document approved by the commissioner as proper identification, or (3) having an individual who is registered to vote in the precinct sign signing an oath in the presence of the election judge that he personally knows that the applicant is a resident of the precinct and that he has not been issued a driver's license, nonqualification certificate, or a receipt thereof. Forms for the card and oath shall be available at each polling place. Forms used pursuant to this section shall be forwarded to the auditor who shall, unless the information forwarded is substantially deficient, add the name of the voter to the registration system. If the auditor finds a registration pursuant to this subdivision substantially deficient he shall give written notice to the person whose registration is found deficient.

Sec. 2. Minnesota Statutes 1976, Section 201.061, is amended by adding a subdivision to read:

Subd. 3a. No later than 60 days after every election the auditor shall send a statement to the secretary of state listing the name and address of each person who registered to vote at that

election and who proved his residence pursuant to subdivision 3, clause (3). Within seven days of receipt, the secretary of state shall furnish a copy of this list to the department of public safety with a request that the department determine whether or not the persons named on the list had been issued a driver's license, nonqualification certificate or a receipt thereof prior to the date of the election. The department shall make the requested determination and report the results to the secretary of state not later than 60 days after receipt of the request. If it appears from the report of the department that any person named on the list has sworn falsely concerning proof of residency under subdivision 3, clause (3), the secretary of state shall so inform the county attorney of the county in which the person registered. Any county attorney so informed shall diligently inquire into the facts, and if there be reasonable ground for instituting a prosecution, shall present the charge and the evidence to the grand jury of the county."

Page 1, line 8, strike "Section 1" and insert "Sec. 3"

Amend the title as follows:

Page 1, line 5, strike "Section" and insert "Sections 201.061, Subdivision 3, and by adding a subdivision; and"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 14 and nays 31, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Engler	Knoll	Renneke
Bang	Chmielewski	Jensen	Ogdahl	Sieloff
Bernhagen	Dunn	Keefe, J.	Pillsbury	

Those who voted in the negative were:

Anderson	Hanson	Luther	Setzepfandt	Vega
Benedict	Hughes	Menning	Spear	Wegener
Coleman	Humphrey	Nelson	Staples	Willet
Davies	Johnson	Olhoft	Stokowski	
Dieterich	Keefe, S.	Penny	Strand	
Gearty	Kleinbaum	Schaaf	Stumpf	
Gunderson	Lessard	Schmitz	Tennessee	

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

H. F. No. 76, which the committee recommends to pass with the following amendment offered by Mr. Bernhagen:

Amend H. F. No. 76, as amended pursuant to Rule 49, adopted by the Senate April 18, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 443.)

Page 2, strike lines 23 and 24

Amend the title as follows:

Page 1, line 8, strike everything after "subdivision" and insert a period

Page 1, strike line 9

H. F. No. 176, which the committee recommends to pass with the following amendment offered by Mr. Anderson:

Page 1, line 13, strike “, the age of” and strike “14”

Page 1, line 14, strike “years or over.”

H. F. No. 707 which the committee recommends to pass, subject to the following motion:

Mr. Schmitz moved that the amendment made to H. F. No. 707 by the Committee on Rules and Administration in the report adopted April 28, 1977, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 805 which the committee recommends to pass, subject to the following motion:

Mr. Keefe, S. moved that the amendment made to H. F. No. 805 by the Committee on Rules and Administration in the report adopted April 28, 1977, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 445, which the committee recommends to pass with the following amendment offered by Mr. Bernhagen:

Page 2, line 5, strike “maintain” and insert “be responsible for the maintenance of”

Page 2, line 6, strike “such” and insert “the”

Mr. Coleman moved to adopt the report of the Committee of the Whole, as kept by the Secretary.

Mr. Laufenburger requested that the report on H. F. No. 40 be divided from the report of the Committee.

Mr. Coleman moved to adopt the report of the Committee of the Whole as to H. F. No. 40. The motion did not prevail.

Mr. Coleman moved to adopt the balance of the report of the Committee of the Whole. The motion prevailed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Willet moved that the name of Mr. Lessard be added as co-author to S. F. No. 534. The motion prevailed.

Mr. Perpich moved that H. F. No. 856 be withdrawn from the Committee on Health, Welfare and Corrections and re-referred to the Committee on Rules and Administration. The motion prevailed.

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.

Mr. Coleman moved to revert to Reports of Committees. The motion prevailed.

REPORTS OF COMMITTEES

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

APPOINTMENTS

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

H. F. No. 550, pursuant to the request of the House:

Messrs. Merriam, Anderson, Sillers, Hughes, and Dieterich.

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

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred

S. F. Nos. 1078, 738, 978, 1131, 1174, 1133, 1037, 850, 625, 1260, 1262 and H. F. Nos. 728, 79, 129, 256, 1518 and 56, makes the following report:

That S. F. Nos. 1078, 738, 978, 1131, 1174, 1133, 1037, 850, 625, 1260, 1262 and H. F. Nos. 728, 79, 129, 256, 1518 and 56 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the subcommittee on which floor action was requested. Report adopted.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Monday, May 9, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FORTY-NINTH DAY

St. Paul, Minnesota, Friday, May 6, 1977

The House of Representatives met on Friday, May 6, 1977, which was the Forty-ninth Legislative Day of the Seventieth Session of the Minnesota State Legislature. The Senate did not meet on this date.

FIFTIETH DAY

St. Paul, Minnesota, Monday, May 9, 1977

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:

Benedict	Hanson	Merriam	Schaaf	Stokowski
Bernhagen	Jensen	Milton	Schmitz	Strand
Chmielewski	Johnson	Nelson	Schrom	Stumpf
Coleman	Kleinbaum	Olhoft	Setzepfandt	Ueland, A.
Davies	Laufenburger	Olson	Sieloff	Ulland, J.
Engler	Lewis	Penny	Sikorski	Vega
Frederick	Luther	Peterson	Sillers	Wegener
Gearty	McCutcheon	Pillsbury	Solon	
Gunderson	Menning	Purfeerst	Spear	

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

Prayer was offered by the Chaplain, Rev. Charles Jacobson.

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

Anderson	Frederick	Knutson	Olhoft	Sikorski
Ashbach	Gearty	Laufenburger	Olson	Sillers
Bang	Gunderson	Lessard	Penny	Solon
Benedict	Hanson	Lewis	Perpich	Spear
Bernhagen	Hughes	Luther	Peterson	Staples
Borden	Humphrey	McCutcheon	Pillsbury	Stokowski
Brataas	Jensen	Menning	Purfeerst	Strand
Chmielewski	Johnson	Merriam	Renneke	Stumpf
Coleman	Keefe, J.	Milton	Schaaf	Tennessee
Davies	Keefe, S.	Moe	Schmitz	Ueland, A.
Dieterich	Kirchner	Nelson	Schrom	Ulland, J.
Dunn	Kleinbaum	Nichols	Setzepfandt	Vega
Engler	Knoll	Ogdahl	Sieloff	Wegener

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. Chenoweth was excused from the Session of today. Mr. Tennessee was excused from the first hour of today's Session.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 3, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

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

Robert Bruce, 1106 Cedar, Albert Lea, Freeborn County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1981.

Cornell Moore, 2727 Dean Boulevard, Minneapolis, Hennepin County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1981.

Edna Schwartz, 111 East Kellogg Boulevard, St. Paul, Ramsey County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1981.

C. E. Sheehy, 1505 Edgewater, St. Paul, Ramsey County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1981.

Referred to the Committee on Governmental Operations.

May 3, 1977

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

Mark Anderson, 10320 South Shore Drive, Plymouth, Hennepin County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1980.

Cecil Tammen, 4234 Sylvia Lane North, Shoreview, Ramsey County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Governmental Operations.

May 3, 1977

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

Jan Storms, Route 2, Box 135A, Chaska, Carver County, has been appointed by me, effective May 1, 1977, for a term expiring the first Monday in January, 1978.

Marvin Trammel, 1981 Lyman Lane, Wayzata, Hennepin County, has been appointed by me, effective April 18, 1977, for a term expiring the first Monday in January, 1981.

Referred to the Committee on Education.

May 3, 1977

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

Jean Farrand, 1900 Tenth Avenue South, Minneapolis, Hennepin County, has been appointed by me, effective April 28, 1977, for a term expiring the first Monday in January, 1979.

Donald Jackman, Elk River, Sherburne County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1981.

Alice Keller, 358 Collegeview, Winona, Winona County, has been appointed by me, effective April 26, 1977, for a term expiring the first Monday in January, 1981.

Kennon Rothchild, 14 Hickory Street, Mahtomedi, Washington County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1981.

Referred to the Committee on Education.

May 3, 1977

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

A. L. Nelson, 1516 West Howard, Winona, Winona County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Health, Welfare and Corrections.

May 3, 1977

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

James Glazman, 1811 Vermilion Road, Duluth, St. Louis County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1981.

Philip Von Blon, 2121 Dwight Lane, Minnetonka, Hennepin County, has been appointed by me, effective January 3, 1977, for a term expiring the first Monday in January, 1981.

Referred to the Committee on General Legislation and Veterans Affairs.

May 3, 1977

The following appointment to the State Board of Human Rights is hereby respectfully submitted to the Senate for confirmation as required by law:

Ray Hemenway, South Shore Drive, Albert Lea, Freeborn County, has been appointed by me, effective April 21, 1977, for a term expiring the first Monday in January, 1981.

Referred to the Committee on Governmental Operations.

Sincerely,
Rudy Perpich, Governor

May 4, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 10, 70, 72, 108, 111, 170, 305, 345, 569, 600, 855, 1039, 1331, 1381, and 1387.

Sincerely,
Rudy Perpich, Governor

May 5, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. No. 651.

Sincerely,
Rudy Perpich, Governor

May 5, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The following appointment to the State Board of Human Rights is hereby respectfully submitted to the Senate for confirmation as required by law:

Milton DeJesus, 767 Ashland Avenue, St. Paul, Ramsey County, has been appointed by me, effective January 21, 1977, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Governmental Operations.

Sincerely,
Rudy Perpich, Governor

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

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1977 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 1977	Date Filed 1977
	61	38	May 4	May 5
	148	39	May 4	May 5
	301	40	May 4	May 5
	380	41	May 4	May 5
	489	42	May 4	May 5
	557	43	May 4	May 5
	681	44	May 4	May 5
	705	45	May 4	May 5
	720	46	May 4	May 5
	763	47	May 4	May 5
	809	48	May 4	May 5
	1208	49	May 4	May 5
10		50	May 4	May 5
70		51	May 4	May 5
72		52	May 4	May 5
108		53	May 4	May 5
111		54	May 4	May 5
170		55	May 4	May 5
305		56	May 4	May 5
345		57	May 4	May 5
569		58	May 4	May 5
600		59	May 4	May 5
855		60	May 4	May 5
1039		61	May 4	May 5
1331		62	May 4	May 5
1381		63	May 4	May 5
1387		64	May 4	May 5

Sincerely,
Joan Anderson Growe,
Secretary of State

May 5, 1977

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

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1977 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 1977	Date Filed 1977
	38	65	May 5	May 5
651		66	May 5	May 5

Sincerely,
Joan Anderson Growe,
Secretary of State

May 6, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 362, 530, 640, 684, 716, and 813.

Sincerely,
Rudy Perpich, Governor

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Benedict introduced—

S. F. No. 1508: A bill for an act relating to public health; providing nutritional standards for food and beverages sold through vending machines and at certain restaurants; amending Minnesota Statutes 1976, Chapters 28A, by adding a section; and 157, by adding a section.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Benedict introduced—

S. F. No. 1509: A bill for an act relating to education; nutrition programs; requiring nutrition programs in each school district under a state nutrition coordinator.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Vega, Chmielewski, Nelson and Solon introduced—

S. F. No. 1510: A bill for an act relating to vocational rehabilitation; sheltered workshops and work activity programs; authorizing

certain tax levies and fund sources for these programs; amending Minnesota Statutes 1976, Section 129A.06.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Strand and Luther introduced—

S. F. No. 1511: A bill for an act relating to pollution control; providing for receipt of funds by the pollution control agency; regulating the transport of sewage; amending Minnesota Statutes 1976, Sections 115.06, Subdivision 2; and 169.80, Subdivision 2.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Strand and Nichols introduced—

S. F. No. 1512: A bill for an act relating to agriculture; increasing inspection fees for nurserymen and nursery dealers; amending Minnesota Statutes 1976, Sections 18.51, Subdivision 2; and 18.52, Subdivision 5.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Strand and Nichols introduced—

S. F. No. 1513: A bill for an act relating to game and fish; changing state payments to local units of government for certain land uses; amending Minnesota Statutes 1976, Section 97.49, Subdivision 3.

Referred to the Committee on Agriculture and Natural Resources.

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. 713, 617, 1415, 667, 845, 916, 1382, 616, 833, 963 and 1166.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 5, 1977

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S. F. Nos. 13, 499, 721, 880 and 1423.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 6, 1977

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. 1467: A bill for an act relating to the organization and operation of state government; appropriating money for the general administrative and judicial expenses of state government and limiting the use thereof; providing for the transfer of certain moneys in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; amending Minnesota Statutes 1976, Sections 10.30; 16A.095, Subdivision 2; 16A.10, Subdivisions 1 and 2; 16A.11, Subdivisions 2 and 3; 43.09, Subdivision 2; 43.31; 98.46, by adding a subdivision; 168.33, Subdivisions 2 and 7; 176.602; 183.545, Subdivisions 1, 3 and 4; 183.57, Subdivision 2; 186.04; 260.311, Subdivision 2; 268.06, Subdivision 25; 296.06, Subdivision 2; 296.12, Subdivision 1; 326.241, Subdivision 3; 362.125; 363.14, by adding a subdivision; 462.389, Subdivision 4; Chapter 16A, by adding a section; Laws 1971, Chapter 121, Section 2, as amended; and Laws 1976, Chapter 260, Section 3; repealing Minnesota Statutes 1976, Sections 15.61, Subdivision 3; 16.173; 16A.095, Subdivision 1; 16A.12 and 176.603.

Senate File No. 1467 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 5, 1977

Mr. Moe moved that the Senate do not concur in the amendments by the House to S. F. No. 1467 and that a Conference Committee of 5 members be appointed by the Subcommittee 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. 99: A bill for an act relating to Wabasha county; authorizing the sale of Buena Vista sanitarium after rejection of bids.

Senate File No. 99 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 5, 1977

CONCURRENCE AND REPASSAGE

Mr. Laufenburger moved that the Senate concur in the amendments by the House to S. F. No. 99 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 99 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Knutson	Olhoft	Sillers
Ashbach	Gunderson	Laufenburger	Olson	Solon
Benedict	Hanson	Lessard	Penny	Spear
Bernhagen	Humphrey	Lewis	Peterson	Staples
Brataas	Jensen	Luther	Pillsbury	Stokowski
Chmielewski	Johnson	McCutcheon	Purfeerst	Strand
Davies	Keefe, J.	Menning	Renneke	Stumpf
Dieterich	Keefe, S.	Merriam	Schmitz	Ueland, A.
Dunn	Kirchner	Moe	Setzepfandt	Ulland, J.
Engler	Kleinbaum	Nelson	Sieloff	Vega
Frederick	Knoll	Nichols	Sikorski	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. 760: A bill for an act relating to natural resources; establishing a season for taking deer and bear with muzzle loading firearms; amending Minnesota Statutes 1976, Section 100.27, Subdivisions 2 and 9.

Senate File No. 760 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 5, 1977

CONCURRENCE AND REPASSAGE

Mr. Knutson moved that the Senate concur in the amendments by the House to S. F. No. 760 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 760 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 45 and nays 12, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Kleinbaum	Nichols	Sieloff
Ashbach	Frederick	Knutson	Olhoft	Sikorski
Bang	Gearty	Lessard	Olson	Sillers
Benedict	Gunderson	Luther	Penny	Solon
Bernhagen	Hanson	McCutcheon	Pillsbury	Stokowski
Brataas	Humphrey	Menning	Purfeerst	Ueland, A.
Davies	Jensen	Merriam	Renneke	Ulland, J.
Dieterich	Keefe, J.	Moe	Schmitz	Vega
Dunn	Kirchner	Nelson	Setzepfandt	Wegener

Those who voted in the negative were:

Chmielewski	Keefe, S.	Peterson	Staples	Stumpf
Coleman	Knoll	Spear	Strand	Willet
Johnson	Lewis			

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. 320.

H. F. No. 320: A bill for an act relating to labor; providing for reduction of the tip credit in computing minimum wage; amending Minnesota Statutes 1976, Sections 177.23, Subdivision 9; 177.24; 177.28, Subdivision 4.

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

Reding, St. Onge and Rose have been appointed as such committee on the part of the House.

House File No. 320 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 May 5, 1977

Mr. Luther, for Mr. Milton, moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 320, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 167 and 875.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 5, 1977

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. 1489: A bill for an act relating to the organization and operation of state government; appropriating money for maintenance of various semi-state activities and for other purposes; amending Minnesota Statutes 1976, Sections 139.08, Subdivision 5; 139.10, by adding a subdivision; 343.08; 343.12; 346.216; Chapter 139, by adding sections; repealing Minnesota Statutes 1976, Sections 343.02; and 343.03.

Senate File No. 1489 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 6, 1977

Mr. Moe moved that the Senate do not concur in the amendments by the House to S. F. No. 1489 and that a Conference Committee of 5 members be appointed by the Subcommittee 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 highway traffic regulations; prescribing the width of vehicles; amending Minnesota Statutes 1976, Section 169.80, Subdivision 2.

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

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 6, 1977

CONCURRENCE AND REPASSAGE

Mr. Schmitz moved that the Senate concur in the amendments by the House to S. F. No. 919 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 919 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Humphrey	Luther	Pillsbury	Stokowski
Brataas	Jensen	McCutcheon	Purfeerst	Strand
Chmielewski	Johnson	Menning	Renneke	Stumpf
Coleman	Keefe, J.	Merriam	Schmitz	Ueland, A.
Davies	Keefe, S.	Moe	Schrom	Ulland, J.
Dieterich	Kirchner	Nelson	Setzepfandt	Vega
Dunn	Kleinbaum	Nichols	Sieloff	Wegener
Engler	Knoll	Olhoff	Sikorski	Willet
Frederick	Knutson	Olson	Sillers	

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. 1060, 1475, 613, 733 and 1610.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 6, 1977

FIRST READING OF HOUSE BILLS

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

H. F. No. 167: A bill for an act relating to public welfare; providing liability insurance to all foster boarding homes licensed by the department of public welfare; appropriating money; amending Minnesota Statutes 1976, Chapter 245, by adding a section.

Referred to the Committee on Finance.

H. F. No. 875: A bill for an act relating to the state housing finance agency; setting the amount of bonds and notes that may be outstanding; clarifying eligibility; providing for fund administration and repayment requirements; appropriating money; amending Minnesota Statutes 1976, Sections 462A.03, Subdivisions 7 and 13; 462A.05, Subdivisions 5 and 15; 462A.07, Subdivision 12, and by adding subdivisions; 462A.21, Subdivisions 4a and 4b, and by adding a subdivision; and 462A.22, Subdivision 1.

Referred to the Committee on Rules and Administration.

H. F. No. 1060: A bill for an act relating to education; loans to medical students; changing requirements for loan forgiveness and limitations on loan amounts; amending Minnesota Statutes 1976, Section 147.30.

Referred to the Committee on Finance.

H. F. No. 1475: A bill for an act relating to taxation; providing

changes in classification ratios and assessment procedures; increasing local government aids and certain tax credits; altering levy limits; imposing a minimum tax on certain types of income; establishing tax study committee; increasing the tax on taconite production and providing for the distribution of its proceeds; establishing a taconite area environmental protection and economic development fund and council; establishing a Northeast Minnesota economic protection fund; imposing a tailings tax; increasing the tax on unmined taconite; requiring owners and lessees of mineral rights to file exploration data with the commissioner of revenue; providing penalties; appropriating money; amending Minnesota Statutes 1976, Sections 124.212, Subdivisions 10 and 11; 273.11, Subdivisions 1 and 2; 273.12; 273.13, Subdivisions 6, 7 and 14a; 273.132; 273.134; 274.01, Subdivision 1; 275.50, Subdivision 5; 275.51, by adding a subdivision; 275.52, Subdivisions 2, 3 and 4; 275.53, Subdivisions 1 and 3; 278.01; 278.05; 287.241, Subdivision 2; 290.012, Subdivision 2; 290.09, Subdivision 4; 290A.03, Subdivisions 3, 11 and 13; 290A.04, Subdivision 2, and by adding a subdivision; 294.26; 298.03; 298.22, Subdivision 1; 298.24, Subdivisions 1 and 2; 298.244, Subdivision 2; 298.25; 298.26; 298.27; 298.28, Subdivision 1; 298.282, Subdivisions 1 and 2; 375.192, by adding a subdivision; 477A.01, Subdivisions 1, 2, 4, 4a, 4b, and by adding a subdivision; 477A.03; and Chapters 3, 272, 287, 290, 298 and 477A, by adding sections; repealing Minnesota Statutes 1976, Sections 275.51, Subdivisions 3b and 3c; 287.241, Subdivisions 3 and 4; 290.09, Subdivision 26; 294.27; 294.28; 298.241; 298.243; 298.244, Subdivision 1; 298.28, Subdivision 1a; 298.281; Extra Session Laws 1971, Chapter 31, Article XIII; Laws 1973, Chapter 601; Laws 1975, Chapter 437, Article VII; and Laws 1976, Chapter 149, Section 58.

Mr. McCutcheon moved that H. F. No. 1475 be laid on the table. The motion prevailed.

H. F. No. 613: A bill for an act relating to the operation of state government; establishing an office of volunteer services within the office of the governor; coordinating volunteer programs throughout the state; appropriating money.

Referred to the Committee on Governmental Operations.

H. F. No. 733: A bill for an act relating to the state transportation system; authorizing the issuance and sale of Minnesota trunk highway bonds under the provisions of Minnesota Constitution, Article XI, Sections 4 to 7, and Article XIV, Section 11, and authorizing the expenditure of the proceeds thereof for trunk highway bridges and approaches; authorizing the issuance and sale of Minnesota state transportation bonds under the provisions of Minnesota Constitution, Article XI, and authorizing the expenditure thereof for grants to political subdivisions for design, construction and reconstruction of certain bridges; appropriating money.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 738 now on General Orders.

H. F. No. 1610: A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and for other purposes; amending Minnesota Statutes 1976, Sections 161.125, Subdivision 1; 219.40; and 299D.03, Subdivision 5; repealing Minnesota Statutes 1976, Sections 161.125, Subdivision 2; 161.50; 219.401; and 299D.03, Subdivision 4.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1490 now on General Orders.

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. Tennesen from the Committee on Commerce, to which was referred the following appointment as reported in the Journal for April 13, 1977:

DEPARTMENT OF COMMERCE COMMISSIONER OF INSURANCE

Berton W. Heaton

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. Tennesen from the Committee on Commerce, to which were referred the following appointments as reported in the Journal for January 6, 1977:

CABLE COMMUNICATIONS BOARD

Ms. Mary S. Burich

Gertrude Ulrich

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. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 1094: A bill for an act relating to insurance; providing for competitive bids on group contracts for certain public bodies; amending Minnesota Statutes 1976, Section 471.616, Subdivision 1.

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

Page 1, reinstate the stricken language in lines 19 to 21

Page 1, line 21, before the period insert “ , Subdivisions 1, 2, 4 and 5”

Page 2, reinstate the stricken language in lines 16 to 19

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

Mr. Tennesen from the Committee on Commerce, to which was re-referred

H. F. No. 562: A bill for an act relating to motor vehicles; requiring informational labels on new pickup trucks; providing penalties.

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

Page 1, line 17, strike “that” and insert “and in the same manner as”

Page 1, line 18, strike “15 USC 1232” and insert “Pub. L. 85-506, section 3”

Page 2, after line 2 insert:

“Sec. 2. This act shall not apply to trucks supplied by dealers in other states, or to trucks for which the annual sales in Minnesota of the previous model year were less than 200.”

Page 2, line 5, strike “1978” and insert “1979”

Re-number the sections in sequence

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1087: A bill for an act relating to nonprofit health service plan corporations; modifying retained surplus requirements; amending Minnesota Statutes 1976, Section 62C.09, 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 1976, Section 62C.09, Subdivision 3, is amended to read:

Subd. 3. If organized on a capital stock basis, a service plan corporation shall never reduce its capital, and both capital stock and membership corporations shall maintain a surplus, in addition to all reserves established, of not less than the greater of the initial surplus reduced by \$100,000, or 25 16 $\frac{2}{3}$ percent of the sum of all health service claims incurred, and administrative expenses in connection therewith, during the previous most recent calendar

year. The surplus shall not exceed 50 33 1/3 percent of the sum of all health service claims incurred, and administrative expenses in connection therewith, during the previous most recent calendar year unless such amount is less than the initial surplus reduced by \$100,000. The percentage amounts shall be determined from a financial statement and certified audit filed annually and subject to verification of an examination by the commissioner."

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

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 259: A bill for an act relating to insurance; requiring refund of unearned premium on cancellation of certain automobile insurance policies; amending Minnesota Statutes 1976, Section 65B.14; and Chapter 65B, by adding sections.

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

Page 2, line 8, after "sedan" strike the comma

Page 3, line 10, strike "No"

Page 3, strike lines 11 to 16 and insert "*Any unearned premium due to an insured upon cancellation of a policy pursuant to sections 65B.15 and 65B.16 shall be mailed or delivered to the insured by the insurer or its agent on or before the effective date of the cancellation. An insurer failing to make a timely refund as specified in this section shall pay a penalty to the insured in the amount of ten percent of the amount due to the insured.*"

Amend the title as follows:

Page 1, line 2, after "requiring" insert "timely"

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

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 972: A bill for an act relating to fire and casualty loss insurance companies; regulating termination of agency contracts; requiring certain notice before termination; prescribing civil penalties.

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

Mr. Tennesen from the Committee on Commerce, to which was referred

S. F. No. 1435: A bill for an act relating to insurance; requiring insurers to supply cover sheets for insurance policies; requiring insurers to issue readable insurance policies; establishing testing procedures for readability.

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.] This act may be cited as the "Readability of Insurance Policies Act."

Sec. 2. [PURPOSE.] The purpose of this act is to provide that insurance policies and contracts be readable and understandable to a person of average intelligence, experience, and education. All insurers shall be required by this act to use policy and contract forms which are written in simple and commonly used language, which are logically and clearly arranged, which are printed in a legible format, and which are generally understandable. It is not the intent of this act to mandate, require or allow alteration of the legal effect of any provision of any insurance policy or contract.

Sec. 3. [SCOPE.] Except as otherwise specifically provided, this act shall apply to all policies or contracts of direct insurance, issued by persons authorized at any time to transact insurance in this state and including nonprofit health service plan corporations under Minnesota Statutes, Chapter 62C, health maintenance organizations under Minnesota Statutes, Chapter 62D, assessment benefit associations under Minnesota Statutes, Chapter 63, and fraternal beneficiary associations under Minnesota Statutes, Chapter 64A. This act shall not apply to insurance as described in Minnesota Statutes, Section 60A.20, Subdivision 17, Clauses (2) and (3), and the master contract for any policy of group insurance when the group consists of ten or more persons. This act shall not apply to policies or contracts issued prior to July 1, 1980 under which there is no unilateral right of the insurer to cancel, nonrenew, amend or change in any way, unless the policy or contract is amended or changed by mutual agreement of the parties. Sections 1 to 13 shall not apply to a new policy or contract written in language other than English.

Sec. 4. [DEFINITIONS.] Subdivision 1. For purposes of sections 1 to 13, the following terms shall have the meanings given them.

Subd. 2. "Commissioner" means the commissioner of insurance or his designated agent.

Subd. 3. "Flesch scale analysis readability score" means a measurement of the ease of readability of a policy or contract made pursuant to the procedures prescribed in section 9.

Subd. 4. "Insurance policy or contract" or "policy" means any written agreement within the scope of sections 1 to 13 whereby one person, for consideration, undertakes to indemnify another person or persons to a specified amount against loss or damages from specified causes, or to do some act of value to the insured in case of specified loss or damage. The agreements specifically include a nonprofit health service plan subscriber contract under Minnesota Statutes, Chapter 62C, a health maintenance contract under Minnesota Statutes, Chapter 62D, and a membership certificate in an

assessment benefit association under Minnesota Statutes, Chapter 63, or a fraternal beneficiary association under Minnesota Statutes, Chapter 64A.

Subd. 5. "Insurer" means every person entering insurance policies or contracts as a principal.

Subd. 6. "Legible type" means a type face at least as large as ten point modern type, one point leaded.

Subd. 7. "Person" means any individual, corporation, partnership, association, business trust or voluntary organization.

Sec. 5. [COVER SHEET REQUIREMENTS.] Subdivision 1. All insurance policies or contracts issued, amended or renewed after July 1, 1978 and before the filing requirements of section 10 take effect shall contain as the first page or first page of text, if it is preceded by a title page or pages, a cover sheet or sheets as provided in this section.

Subd. 2. The cover sheet or sheets shall be printed in legible type and readable language, as provided in section 6, and shall contain at least the following:

(a) A brief statement that the policy is a legal contract between the policy owner and the company;

(b) The statement "READ YOUR POLICY CAREFULLY. This cover sheet provides only a brief outline of some of the important features of your policy. This is not the insurance contract and only the actual policy provisions will control. The policy itself sets forth, in detail, the rights and obligations of both you and your insurance company. IT IS THEREFORE IMPORTANT THAT YOU READ YOUR POLICY CAREFULLY."; and

(c) An index of the major provisions of the policy or contract and the pages on which they are found which may include the following items:

- (1) the person or persons insured by the policy,
- (2) the applicable events, occurrences, conditions, losses or damages covered by the policy,
- (3) the limitations or conditions on the coverage of the policy,
- (4) definitional sections of the policy,
- (5) provisions governing the procedure for filing a claim under the policy,
- (6) provisions governing cancellation, renewal, or amendment of the policy by either the insurer or the policyowner,
- (7) any options under the policy, and
- (8) provisions governing the insurer's duties and powers in the event that suit is filed against the insured.

Subd. 3. The cover sheet may include, either as part of the index or as a separate section, a brief summary of the extent and types of coverage in the policy.

Subd. 4. No cover sheet shall be used unless it has been filed with and approved by the commissioner. The cover sheet shall be deemed approved 30 days after filing unless disapproved by the commissioner within the 30 day period, subject to a reasonable extension of time as the commissioner may require by notice given within the 30 day period. The commissioner shall disapprove any cover sheet which does not meet the requirements of this section. Any disapproval shall be delivered to the insurer in writing, stating the grounds therefor.

Subd. 5. In lieu of the cover sheet required by this section, the insurer may file a policy or contract with the commissioner under the provisions of sections 6 to 8.

Sec. 6. [READABILITY.] Subdivision 1. All insurance policies filed with the commissioner pursuant to section 11 shall be written in language easily readable and understandable by a person of average intelligence and education.

Subd. 2. In determining whether a policy or contract is readable within the meaning of this section the commissioner shall consider, at least, the following factors:

(a) the simplicity of the sentence structure and the shortness of the sentences used;

(b) the extent to which commonly used and understood words are employed;

(c) the extent to which legal terms are avoided;

(d) the extent to which references to other sections or provisions of the contract are minimized;

(e) the extent to which definitional provisions are incorporated in the text of the policy or contract; and

(f) any additional factors relevant to the readability or understandability of an insurance policy or contract which the commissioner may prescribe by rule.

Sec. 7. [LEGIBILITY.] Subdivision 1. All insurance policies covered by section 11 shall be printed in legible type and in a type face style approved by the commissioner. The commissioner shall by emergency rule establish a list of type face styles which he will approve as acceptable not later than January 1, 1978.

Subd. 2. In determining whether a policy or contract is legible the commissioner shall consider, in addition to the requirements of subdivision 1 relating to type face size and style, the following factors:

(a) margin size;

(b) contrast and legibility of the color of the ink and paper;

(c) the amount and use of space to separate sections of the policy;

(d) the use of contrasting titles or headings for sections or similar aids; and

(e) any additional factors relevant to legibility which the commissioner may prescribe by rule.

Sec. 8. [FORMAT REQUIREMENTS.] Subdivision 1. All insurance policies and contracts covered by section 11 shall be written in a logical, clear, and understandable order and form and shall contain at least the following items:

(a) on the cover or first or an insert page of the policy a statement that the policy is a legal contract between the policyowner and the company and the statement, printed in larger or other contrasting type or color, "Read your policy carefully";

(b) an index of the major provisions of the policy or contract, which may include the following items:

(1) the person or persons insured by the policy;

(2) the applicable events, occurrences, conditions, losses or damages covered by the policy;

(3) the limitations or conditions on the coverage of the policy;

(4) definitional sections of the policy;

(5) provisions governing the procedure for filing a claim under the policy;

(6) provisions governing cancellation, renewal, or amendment of the policy by either the insurer or the policyowner;

(7) any options under the policy; and

(8) provisions governing the insurer's duties and powers in the event that suit is filed against the insured.

Subd. 2. In determining whether a policy or contract is written in a logical, clear, and understandable order and form the commissioner shall consider the following factors:

(a) the extent to which each provision for coverage is stated separately in a self-contained section, including the conditions relating to or limiting that section's effect;

(b) the extent to which sections or provisions are set-off and clearly identified by titles, headings, or margin notations;

(c) the use of a more easily understandable format such as narrative or outline forms; and

(d) any additional factors relevant to a logical, clear, and understandable format which the commissioner may prescribe by rule.

Sec. 9. [FLESCH SCALE ANALYSIS READABILITY SCORE, PROCEDURES.] A Flesch scale analysis readability score shall be measured as provided in this section.

(1) For contracts containing 10,000 words or less of text, the entire contract shall be analyzed. For contracts containing more than 10,000 words the readability of two 200 word samples per

page may be analyzed in lieu of the entire contract. The samples shall be separated by at least 20 printed lines. For purposes of this clause a word shall be counted as 5 printed characters or spaces between characters.

(2) (a) (i) The number of words and sentences in the text shall be counted and the total number of words divided by the total number of sentences. The figure obtained shall be multiplied by a factor of 1.015.

(ii) The total number of syllables shall be counted and divided by the total number of words. The figure obtained shall be multiplied by a factor of 84.6.

(iii) The sum of the figures computed under (i) and (ii) subtracted from 206.835 equals the Flesch scale analysis readability score for the policy or contract.

(b) For purposes of clause (a) the following procedures shall be used:

(i) A contraction, hyphenated word, or numbers and letters, when separated by spaces, shall be counted as one word;

(ii) A unit of words ending with a period or colon, but excluding headings, captions, and lists, shall be counted as a sentence; and

(iii) A syllable means a unit of spoken language consisting of one or more letters of a word as divided by an accepted dictionary. Where the dictionary shows two or more equally acceptable pronunciations of a word, the pronunciation containing fewer syllables may be used.

Sec. 10. [FILING REQUIREMENTS; DUTIES OF THE COMMISSIONER.] Subdivision 1. No insurer shall make, issue, amend, or renew any policy or contract after the dates specified in section 11 for the applicable type of policy unless the contract is in compliance with the requirements of sections 6 to 9 and unless the contract is filed with the commissioner for his approval. The contract shall be deemed approved 90 days after filing unless disapproved by the commissioner within the 90 day period. The commissioner shall not unreasonably withhold his approval. Any disapproval shall be delivered to the insurer in writing, stating the grounds therefor. Any policy filed with the commissioner shall be accompanied by a Flesch scale readability analysis and test score and by the insurer's certification that the policy or contract is in its judgment readable based on the factors specified in sections 6 to 8.

Subd. 2. The commissioner shall disapprove any contract or policy covered by subdivision 1 if he finds that:

(a) it is not accompanied by a certified Flesch scale analysis readability score of more than 40;

(b) it is not accompanied by the insurer's certification that the policy or contract is in its judgment readable under the standards of this act;

(c) it does not comply with the readability standards established by section 6;

(d) it does not comply with the legibility standards established by section 7; or

(e) it does not comply with the format requirements established by section 8.

Sec. 11. [APPLICATION TO POLICIES, DATES; DUTIES OF THE COMMISSIONER.] Subdivision 1. The filing requirements of section 10 shall apply as follows:

(a) To all policies of private passenger vehicle insurance, as described in chapter 65B, and to all policies of homeowner's insurance as defined in the general custom and usage of the business or by a ruling of the commissioner or a court, which are made, issued, amended or renewed after July 1, 1979;

(b) To all policies of life insurance as defined in section 60A.06, subdivision 1, clause (4), to all certificates of a fraternal beneficiary association, as defined in section 64A.31, to all policies of accident and health insurance, as defined in section 60A.06, subdivision 1, clause (5), paragraph (a), to all subscriber contracts of nonprofit health service corporations as defined in section 62.02, and to all health maintenance contracts as defined in section 62D.02, which are made, issued, amended or renewed after July 1, 1980; and

(c) To all policies of any additional line or type of insurance within the scope of this act, as provided by any rule promulgated by the commissioner not later than July 1, 1981.

Subd. 2. The commissioner shall make the following reports to the legislature:

(a) On or before February 1, 1979 a report detailing and evaluating the efforts made by the commissioner and insurers to implement the provisions of subdivision 1, clause (a); and particularly examining the feasibility and practicality of requiring accident and health and life insurance policies to comply with this act and in the time prescribed;

(b) On or before February 1, 1980 a report detailing and evaluating (1) the operation of and the extent of compliance with this act, (2) the efforts made by the commissioner and insurers to implement the provisions of subdivision 1, clause (b), and (3) the commissioner's intent regarding the extension of the application of this act to other lines and types of insurance under subdivision 1, clause (c), and his reasons therefor.

Sec. 12. [COMMISSIONER'S POWERS AND DUTIES.] In addition to the duties and powers enumerated elsewhere in this act the commissioner shall have the power to promulgate rules consistent with this act to effectuate its purpose.

Sec. 13. [EFFECT ON OTHER PROVISIONS OF LAW, CONSTRUCTION.] Subdivision 1. This act shall not operate to relieve any insurer from any provision of law regulating the

contents or provisions of insurance policies, except to the extent that the provisions prescribe the use of specific language which is inconsistent with this act.

Subd. 2. No alteration in the language of the Minnesota standard fire insurance policy under Minnesota Statutes, Section 65A.01 or the standard provisions of health insurance policies under Minnesota Statutes, Section 62A.04, as authorized by sections 1 to 13, shall be construed to limit or reduce an insured's or beneficiary's rights granted under those statutory provisions.

Sec. 14. [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. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 1471: A bill for an act relating to aeronautics; requiring boards of adjustment to grant or deny applications for zoning variances within six months; authorizing the commissioner of transportation to develop an air transportation system; amending Minnesota Statutes 1976, Section 360.015, Subdivision 14; 360.017, Subdivision 1; and 360.067, 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 1976, Section 360.063, is amended by adding a subdivision to read:

Subd. 6a. [REVIEW OF VARIANCES GRANTED WHEN BOARD OF ADJUSTMENT FAILS TO ACT.] When the commissioner receives notice that an airport zoning variance has been granted by reason of the failure of a board of adjustment to act on the variance as provided in section 360.067, subdivision 2, he shall review the application and may amend or rescind the variance if he finds that this action is required to protect the public safety. No action of the commissioner pursuant to this subdivision shall be effective unless the commissioner notifies the applicant of that action within 60 days after receiving notice that the variance was granted. Any action taken by the commissioner pursuant to this subdivision shall be subject to review by the courts as provided in section 360.072.

Sec. 2. Minnesota Statutes 1976, Section 360.067, Subdivision 2, is amended to read:

Subd. 2. [VARIANCES.] Any person desiring to erect any structure, or increase the height of any structure, or permit the growth of any tree, or otherwise use his property in violation of airport zoning regulations adopted under Laws 1945, chapter 303 360, may apply to the board of adjustment, hereinafter provided for, for a variance from the zoning regulations in question. *If a*

person submits an application for a variance by certified mail to the members of the board and the board fails to grant or deny the variance within four months after the last member receives the application, the variance shall be deemed to be granted by the board. When the variance is granted by reason of the failure of the board to act on the variance, the person receiving the variance shall notify the board and the commissioner of transportation by certified mail that the variance has been granted. The applicant shall include a copy of the original application for the variance with this notice to the commissioner. The variance shall be effective 60 days after this notice is received by the commissioner subject to any action taken by the commissioner pursuant to section 360.063, subdivision 6. Such variances shall be allowed where a literal application or enforcement of the regulations would result in practical difficulty or unnecessary hardship and the relief granted would not be contrary to the public interest but do substantial justice and be in accordance with the spirit of the regulations and Laws 1945, chapter 303 360 ; provided, any variance may be allowed subject to any reasonable conditions that the board of adjustment may deem necessary to effectuate the purposes of this act.

Sec. 3. Minnesota Statutes 1976, Section 360.072, Subdivision 1, is amended to read:

360.072 [JUDICIAL REVIEW.] Subdivision 1. [PETITION.] Any person aggrieved, or taxpayer affected, by any decision of a board of adjustment, or of any action of the commissioner taken under section 360.063, ~~subdivision subdivisions 6 or 6a~~, or any governing body of a municipality or county, or any joint airport zoning board, which is of the opinion that a decision of a board of adjustment or action of the commissioner is illegal may present to the district court of the county in which the airport involved, or the major portion thereof, is located a verified petition setting forth that the decision or action is illegal, in whole or in part, and specifying the grounds of the illegality. Such petition shall be presented to the court within 30 days after the decision is filed in the office of the board, or the action taken by the commissioner."

Amend the title as follows:

Page 1, line 2, strike "requiring boards of"

Page 1, strike lines 3 to 9 and insert

"providing that airport zoning variances be deemed to be granted if a board of adjustment fails to act within four months of application; providing for review of such variances by the commissioner of transportation; amending Minnesota Statutes 1976, Sections 360.063, by adding a subdivision; 360.067, Subdivision 2; and 360.072, Subdivision 1."

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 903: A bill for an act relating to public transportation; making state commuter vans available for use by blind vending operators working on state property; amending Minnesota Statutes 1976, Section 16.756.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 818: A bill for an act relating to highway traffic regulations; implements of husbandry; restricting the speed of certain implements of husbandry on the highways; providing a penalty; amending Minnesota Statutes 1976, Chapter 169, by adding a section.

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

Mr. Purfeerst from the Committee on Transportation, to which was referred

H. F. No. 817: A bill for an act relating to highway traffic regulations; weight limitations; providing that weight increases for haulers of raw and unfinished forest products shall be statewide during certain periods; amending Minnesota Statutes 1976, Section 169.83, Subdivision 1.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Laufenburger from the Committee on Employment, to which was referred

S. F. No. 1422: A bill for an act relating to unemployment compensation; providing for conformity with federal requirements; providing for agricultural and domestic service employees; defining independent contractors; altering covered employment; changing certain accounting periods; regulating employer's contributions; permitting joint employer accounts; providing for the noncharging of certain benefits; providing for extended benefits; providing for certain public employees; providing for release of certain information; amending Minnesota Statutes 1976, Sections 268.04, Subdivisions 10, 12 and 22, and by adding a subdivision; 268.05, Subdivision 5; 268.06, Subdivisions 1, 5, 21, 22, 25 and 28, and by adding subdivisions; 268.07, by adding a subdivision; 268.071, Subdivisions 1 and 6; 268.08, Subdivision 5, and by adding subdivisions; 268.09, Subdivision 1; 268.11, Subdivision 2; and 268.12, Subdivision 12; repealing Minnesota Statutes 1976, Section 268.08, Subdivision 5.

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

Page 5, lines 14 to 32, restore the stricken language and strike the new language

Page 6, strike lines 1 to 7

Page 6, line 10, restore the stricken "(a)" and strike "(b)"

Page 6, line 11, restore the stricken "or"

Page 6, line 12, restore the stricken "(b)" and strike "(c)"

Page 6, line 27, restore the stricken "(b)" and strike "(c)"

Page 11, line 3, after the comma insert "*or as a temporary employee of the state legislature or of a legislative commission,*"

Page 21, strike lines 2 to 16

Page 23, after line 7, insert:

"Sec. 4. Minnesota Statutes 1976, Section 268.04, Subdivision 23, is amended to read:

Subd. 23. "Unemployment." An individual shall be deemed "unemployed" in any week during which he performs no service and with respect to which no wages are payable to him, or in any week of less than full time work if the wages payable to him with respect to such week are less than his weekly benefit amount, *provided that no permanent employee of the legislature or a legislative commission shall be deemed to be unemployed while on a leave of absence*. Any individual unemployed as a result of a uniform vacation shutdown shall not be deemed to be voluntarily unemployed. The commissioner may, in his discretion, prescribe regulations relating to the payment of benefits to such unemployed individuals."

Page 23, line 13, before the period insert "*, or any school (1) which operates on a nonprofit basis, (2) which admits only pre-kindergarten children, (3) which has as its primary purpose the education of its students as determined by the commissioner of public welfare pursuant to section 245.791, clause (15), and (4) which operates on a regular basis for at least eight months and no more than nine months a year.*"

Pages 23 to 25, strike section 5

Pages 27 to 29, strike sections 8 and 9

Page 35, line 3, strike "7" and insert "4"

Page 41, line 16, after the first "or" insert "all"

Page 41, line 16, after the first "the" insert "employees of the"

Page 41, line 16, strike the second "or" and insert "and the"

Page 42, line 25, after "years" insert "or terms"

Page 43, line 15, strike the period and insert ", and"

Page 43, after line 15, insert

"(c) *With respect to any services described in clause (a) or (b), compensation payable on the basis of such services shall not be paid to any individual for any week which commences during an estab-*

lished and customary vacation period or holiday recess if such individual performs such services in the period immediately before such vacation period or holiday recess, and there is a reasonable assurance that such individual will perform such services in the period immediately following such vacation period or holiday recess."

Page 43, line 27, strike "service" and insert "services"

Page 43, line 28, strike "the" and insert "such"

Page 43, line 28, strike "has been" and insert "was"

Page 43, strike lines 29 to 32 and insert "for permanent residence at the time such services were performed, was lawfully present for the purposes of performing such services, or was permanently residing in the United States under color of law at the time such services were performed (including an alien who was lawfully present in the United States as a result of the application of the provision of section 203(a) (7) or section 212(d) (5) of the Immigration and Nationality Act)."

Page 44, strike line 1

Page 44, strike lines 11 to 20

Page 48, lines 26 to 30, restore the stricken language

Page 48, line 28, after "dispute" insert "at his primary place of employment"

Pages 49 and 50, strike section 20 and insert:

"Sec. 18. Minnesota Statutes 1976, Section 268.12, Subdivision 5, is amended to read:

Subd. 5. [ASSISTANCE.] (1) Subject to the provisions of the state civil service act and to the other provisions of sections 268.03 to 268.24 the commissioner is authorized to appoint, and prescribe the duties and powers of, such officers, accountants, attorneys, experts, and other persons as may be necessary in the performance of his duties thereunder. The commissioner may delegate to any such person so appointed such power and authority as he deems reasonable and proper for the effective administration of those sections and may, in his discretion, bond any person handling moneys or signing checks thereunder. The commissioner is authorized to adopt such personnel and fiscal regulations as he deems necessary to satisfy fiscal and personnel standards required by the secretary of labor pursuant to the Social Security Act, as amended, and the act of Congress entitled "An act to provide for the establishment of a national employment system and to cooperate with the states in the promotion of such system and for other purposes," approved June 6, 1933, as amended. The commissioner may, subject to the approval of the commissioner of administration, also adopt regulations relating to reimbursement to department employees for travel expenses incurred while traveling on official business including allowances on a per diem basis in lieu of actual subsistence expenses incurred. The commissioner is also hereby authorized to purchase liability and property damage automobile insurance to cover any

automobiles owned by the Minnesota department of employment services for the protection of its employees who may be required to operate the same in pursuit of their duties for the department.

The attorney general shall appoint an assistant attorney general and two special assistant attorneys general, to be in addition to the number now authorized by law. The assistant attorney general shall be the attorney and the chief counsel for the department of employment services. Such assistant and special assistant attorneys general shall receive the same salary as the other assistant and special assistant attorneys general, but devote their entire time to this department. Such assistant and special assistant attorneys general shall have the power to act for and represent the attorney general in all matters in which the attorney general is authorized to act for the commissioner by these sections. The compensation and all expenses and disbursements of such assistant and special assistant attorneys general shall be paid from the moneys appropriated to and for the use of the commissioner.

(2) (a) No officer or employee engaged in the administration of these sections shall use his official authority to influence for the purpose of interfering with an election or affecting the results thereof. No person engaged in the administration of these sections who holds a position in the state classified service pursuant to provisions contained in the state civil service act, while retaining the right to vote as he pleases and to express privately his opinion on all political subjects, shall take an active part in political management or campaigns;

(b) No officer or employee engaged in the administration of these sections shall solicit or receive or be in any manner concerned in soliciting or receiving any assessment, subscription, or contribution for any political purpose for any person;

(c) (2) No officer or employee engaged in the administration of these sections shall, for political purposes, furnish or disclose, or aid or assist in furnishing or disclosing, any list or names of persons obtained in the administration of these sections, to a political candidate, committee, campaign manager, or to any person for delivery to a political candidate, committee, or campaign manager, and it shall be unlawful for any person to receive any such list or names for political purposes."

Pages 50 to 52, strike section 21

Page 52, line 22, strike "is" and insert "and that portion of Laws 1975, Chapter 433, Section 11, Subdivision 4, referring to Minnesota Statutes 268.08, Subdivision 5, Clause (b) are"

Page 52, lines 23 and 24, strike "5, 6, 9, 13, 17, 19, 20, 21 and 22" and insert "4, 6, 11, 15, 18 and 19"

Page 52, line 29, strike "15" and insert "13"

Page 52, line 30, strike "4" and insert "5"

Page 52, line 30, after "8" insert "9,"

Page 52, line 30, strike "11,"

Page 52, line 30, strike "18 and 23" and insert "and 20"

Page 52, line 31, after the period insert "Section 17 is effective July 2, 1977."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, strike "defining independent contractors;"

Page 1, line 6, strike "changing certain"

Page 1, line 7, strike "accounting periods;"

Page 1, line 8, strike "permitting joint employer accounts;"

Page 1, line 11, strike "providing for release of"

Page 1, line 12, strike "certain information" and insert "allowing certain political activities"

Page 1, line 13, after "22," insert "and 23,"

Page 1, line 14, strike "268.05, Subdivision"

Page 1, line 15, strike "5;"

Page 1, line 15, strike "21, 22,"

Page 1, line 19, strike "268.11, Subdivision 2;"

Page 1, line 20, strike "12" and insert "5"

Page 1, line 21, before the period insert "; and a portion of Laws 1975, Chapter 433, Section 11, Subdivision 4"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 867: A bill for an act relating to housing; providing an exception to the interest limitation for borrowing by housing and redevelopment authorities; making certain changes in the laws relating to the operation of the housing finance agency; making cooperatives eligible for housing finance agency programs; establishing certain loan and assistance programs; increasing the bonding limitations of the agency; providing for a demonstration project for energy conserving construction; appropriating money; amending Minnesota Statutes 1976, Sections 462.555; 462A.03, Subdivision 13; 462A.05, Subdivisions 3, 5, 14, 15, and by adding subdivisions; 462A.07, Subdivision 12, and by adding subdivisions; 462A.09; 462A.21, Subdivisions 4a, 4b, and by adding subdivisions; and 462A.22, Subdivisions 1 and 9, and by adding a subdivision; repealing Minnesota Statutes 1976, Section 462A.26.

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

Page 14, line 2, after "lands" insert ", or by personnel of the

university of Minnesota assigned to the lake Itasca forestry and biological station and their families."

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1337: A bill for an act relating to state employees; providing for wage and fringe benefits for certain state employees; ratifying collective bargaining agreements; providing emergency rule making authority; increasing salary ranges; appropriating money; amending Minnesota Statutes 1976, Chapter 43, by adding a section; Sections 43.09, Subdivision 3; 43.12, Subdivisions 2, 3, 5, 6, 7, 8, 10, 11, 14, 16, and 17, and by adding a subdivision; 43.122, Subdivision 3, and by adding a subdivision; 43.126, Subdivision 1; 43.323, by adding a subdivision; 43.42; 43.44, Subdivision 1; 43.46; and 43.50, Subdivision 1; repealing Minnesota Statutes 1976, Sections 43.09, Subdivision 7; and 43.12, Subdivisions 4 and 9.

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

Page 2, line 1, strike "*local No. 49*" and insert "*locals No. 34, 49 and 808*"

Page 2, line 4, after the comma insert "*the Minnesota administrative hearing officers association,*"

Page 11, line 15, strike everything after the period

Page 11, strike lines 16 and 17

Page 11, line 18, strike "*state treasury.*"

Page 11, line 18, before "*The*" insert "*In order to enable the commissioner of finance to maintain proper records covering the appropriations made pursuant to subdivision 10, he may require certification as he deems necessary from any state agency, the Minnesota historical society, or the university of Minnesota of the amounts needed by them under subdivision 10.*"

Page 18, delete line 5 and insert "*each eligible employee who elects to participate,*"

Page 19, line 5, strike everything after the period

Page 19, strike line 6

Page 19, line 7, strike everything before "*In*"

Page 19, line 9, strike "*by*" and insert "*pursuant to*"

Page 19, line 11, strike "*department*" and insert "*agency, the Minnesota historical society, or the university of Minnesota*"

Page 20, delete lines 9 to 14 and insert:

"Sec. 26. [APPROPRIATIONS.] *Subdivision 1. [COST OF*

LIVING INCREASES.] *The amounts necessary to pay cost of living increases pursuant to section 43.12, subdivision 10, to classified employees and to unclassified employees who are paid salaries comparable to employees in civil service pay schedules A, B, and C, are appropriated from the various funds in the state treasury from which their salaries are paid to the commissioner of finance for the fiscal years ending June 30, 1978, and June 30, 1979. It is estimated that the amounts necessary will not exceed \$30,140,000 for the biennium, allocated as follows:*

- \$18,620,000 from the general fund,*
- \$470,000 from the trunk highway fund,*
- \$100,000 from the state airports fund,*
- \$380,000 from the highway user tax distribution fund,*
- \$1,200,000 from the game and fish fund, and*
- \$9,370,000 from other funds.*

Subd. 2. [INSURANCE PREMIUM INCREASES.] *The amounts necessary to pay increased premium rates for basic life insurance and basic health benefit coverage authorized for eligible state employees and their dependents, in the event that these rates are increased over the rates in existence at the time of the passage of this act, are appropriated from the various funds in the state treasury from which these premiums are paid to the commissioner of finance for the fiscal years ending June 30, 1978 and June 30, 1979. It is estimated that the amounts necessary will not exceed \$18,860,000 for the biennium, allocated as follows:*

- \$13,450,000 from the general fund,*
- \$3,050,000 from the trunk highway fund,*
- \$30,000 from the state airports fund,*
- \$80,000 from the highway user tax distribution fund,*
- \$260,000 from the game and fish fund, and*
- \$1,990,000 from other funds.*

Subd. 3. [TRANSFERS; NOTICE.] *The commissioner shall transfer the necessary amounts to the proper accounts and shall promptly notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount transferred to each appropriation account.*

Subd. 4. [CERTIFICATION.] *Money certified as needed by the university of Minnesota and transferred to it under this section shall be used only for the purpose certified. Any amount transferred that exceeds the actual amount of cost of living increases or insurance premium increases paid to or for university employees until June 30, 1979 shall be returned to the general fund."*

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

H. F. No. 980: A bill for an act relating to public health; regulations for the preservation of public health; authorizing the state board of health to regulate the establishment, operation and maintenance of certain non-hospital clinical laboratories; amending Minnesota Statutes 1976, Section 144.12, Subdivision 1.

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

Page 4, line 29, after the period, insert:

"The provisions of this clause shall expire 30 days after the conclusion of any fiscal year in which the federal government pays for less than 45 percent of the cost of administering this clause."

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. 227: A bill for an act relating to education; loans to medical students; changing requirements for loan forgiveness and limitations on loan amounts; amending Minnesota Statutes 1976, Section 147.30.

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

Page 3, after line 4, insert:

"Sec. 2. Minnesota Statutes 1976, Section 147.31, is amended to read:

147.31 [BONDS.] The higher education coordinating board is authorized to issue revenue bonds, notes, bond anticipation notes and refunding revenue bonds in accordance with and pursuant to the provisions on revenue bonds for student loans contained in chapter 136A for the purpose of securing funds necessary for renewing loans to medical and osteopathic students and \$120,000 \$144,000 per year for new loans for the program authorized pursuant to sections 147.30 to 147.33. Such bonds may be issued and secured in all respects as provided in the said chapter 136A and sections 147.30 to 147.33. The higher education coordinating board is authorized to issue its revenue bonds to refund any revenue bonds issued under the provisions of sections 147.30 to 147.33, such refunding to be accomplished in accordance with the applicable provisions of chapter 136A, the provisions of sections 147.30 to 147.33 and the provisions of the resolution authorizing the bonds to be refunded."

Renumber the sections accordingly

Page 3, line 5, strike "June" and insert "July"

Amend the title as follows:

Page 1, line 5, strike "Section" and insert "Sections"

Page 1, line 5, after "147.30" insert "and 147.31"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

H. F. No. 1054: A bill for an act relating to welfare; aid to families with dependent children; changing certain eligibility qualifications; amending Minnesota Statutes 1976, Sections 256.73, Subdivisions 1, 2, 4, and by adding subdivisions; and 256.79.

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

Page 2, line 10, strike "such" and insert "the"

Page 2, line 26, strike "and regulations"

Page 2, line 27, strike "such" and insert "any"

Page 3, line 15, strike the semicolon and insert a period

Page 3, line 16, strike "provided, that"

Page 3, line 30, strike "said" and insert "the"

Page 4, strike all of section 5

Renumber the sections in sequence

Amend the title as follows:

Line 6, strike "subdivisions" and insert "a subdivision"

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

Mr. Perpich from the Committee on Health, Welfare and Corrections, to which was referred

S. F. No. 1486: A bill for an act relating to public welfare; providing liability insurance to all foster boarding homes licensed by the department of public welfare; appropriating money; amending Minnesota Statutes 1976, Chapter 245, by adding a section.

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

Page 1, line 12, strike "may" and insert "*shall within the appropriation provided*"

Page 1, line 14, before the period insert "*, or established by the juvenile court and certified by the commissioner of corrections pursuant to section 260.185, subdivision 1, clause (c) (5)*"

Page 1, line 16, strike "\$80,000" and insert "\$122,000"

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

H. F. No. 829: A bill for an act relating to landlord and tenant; establishing period for which interest is payable on security deposit; providing a measure of damages for the improper withholding of security deposits; amending Minnesota Statutes 1976, Section 504.20, Subdivisions 2, 3, 4, 7 and 7a.

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

- Page 1, line 12, strike "such"
- Page 1, line 15, strike "such" and insert "the"
- Page 1, line 18, strike "such" and insert "the"
- Page 2, line 7, strike "such" and insert "the"
- Page 2, line 13, strike "such" and insert "the"
- Page 2, line 13, strike "as"
- Page 2, line 19, strike the first "such" and insert "the"
- Page 2, line 19, strike the second "such"
- Page 2, line 19, strike "as are"
- Page 2, line 27, strike "such" and insert "the"
- Page 2, line 29, strike "such" and insert "the"
- Page 3, line 7, after "the" strike "sum" and insert "portion"
- Page 3, line 7, strike "such" and insert "the"
- Page 3, line 7, after "deposit" insert "withheld by the landlord"
- Page 3, line 8, strike "amount" and insert "portion"
- Page 3, line 9, strike "such" and insert "the"
- Page 3, line 9, after "deposit" insert "wrongfully withheld by the landlord"
- Page 3, line 9, strike "withheld by the landlord"
- Page 3, lines 12, 20, 22 and 31, strike "such" and insert "the"
- Page 3, line 19, strike "such" and insert "the"
- Page 4, line 3, strike "such" and insert "the"
- Page 4, line 8, strike "violates" and insert "remains in violation of"
- Page 4, line 10, after the second "the" insert "portion of the"
- Page 4, line 11, after "deposit" insert "which the landlord is entitled to withhold under subdivision 3 other than to remedy the tenant's default in the payment of rent,"

Amend the title as follows:

Page 1, line 5, after "deposits" and before the semicolon insert "and the improper withholding of rent payments"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 124: A bill for an act relating to women; establishing pilot programs to provide emergency shelter and support services to battered women; providing funds to establish community education programs about battered women; providing for data collection; appropriating money.

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

Page 2, line 1, strike "Director" and insert "Commissioner"

Page 2, line 1, strike "director of planning of" and insert "commissioner of the department of corrections"

Page 2, line 2, strike "the state planning agency"

Page 2, lines 4, 15, 18 and 31, strike "director" and insert "commissioner"

Page 3, lines 4, 8, 13, 14, 17 and 19, strike "director" and insert "commissioner"

Page 3, lines 9, 13, 16, 18 and 25, strike "community"

Page 3, line 19, strike "DIRECTOR" and insert "COMMISSIONER"

Page 4, lines 13, 27 and 32, strike "director" and insert "commissioner"

Page 4, line 13, strike "15" and insert "9"

Page 4, line 19, strike "Four of the members of the"

Page 4, line 20, strike "advisory task force" and insert "Persons appointed"

Page 4, line 20, strike "professionals" and insert "knowledgeable"

Page 4, line 27, strike "five"

Page 4, line 28, strike "In the"

Page 4, strike lines 29 through 31

Page 5, lines 3, 8, 14, 16, 18, 24 and 32, strike "director" and insert "commissioner"

Page 5, line 4, strike "community"

Page 6, lines 1 and 4, strike "director" and insert "commissioner"

Page 6, after line 2, insert:

"Sec. 7. Minnesota Statutes 1976, Section 256D.05, is amended by adding a subdivision to read:

Subd. 3. [RESIDENTS OF SHELTER FACILITIES.] Notwithstanding the provisions of subdivisions 1 and 2, general assistance payments may be made to individuals receiving aid to families with dependent children who are residing in a secure crisis shelter, a housing network, or other shelter facility which provides shelter services to women who are being or have been assaulted by their spouses, other male relatives, or other males with whom they are residing or have resided in the past."

Page 6, line 7, strike "community"

Page 6, line 10, strike "director of state planning" and insert "commissioner of corrections"

Renumber sections in sequence.

Underline all new language in the bill

Amend the title as follows:

Page 1, line 6, after the semicolon insert "waiving certain general assistance eligibility to requirements for battered women;"

Page 1, line 7, after "money" insert "; amending Minnesota Statutes 1976, Section 256D.05, by adding a subdivision"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 690: A bill for an act appropriating money for educational television facilities in northern Minnesota.

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 90: A bill for an act relating to soil and water conservation; adding the commissioner of natural resources as an ex-officio member of the state soil and water conservation board; authorizing a cost-sharing program; clarifying the powers and duties of the state board and local districts; amending ambiguous or redundant provisions; adding a member to the soil and water conservation board temporarily; appropriating funds; amending Minnesota Statutes 1976, Chapter 40, by adding sections; and Sections 40.01, Subdivision 8, and by adding a subdivision; 40.02; 40.03, Subdivisions 1, 2, 3, and 4; and 40.07, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 14; repealing Minnesota Statutes 1976, Sections 40.005; and 40.07, Subdivision 13.

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

Page 4, line 29, strike "In making these appointments the"

Page 4, strike line 30

Page 4, line 31, strike "association of soil and water conservation"

Page 4, line 32, strike "districts."

Page 18, line 32, strike "\$12,000,000" and insert "\$3,000,000"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 783: A bill for an act relating to libraries; requiring distribution of certain state publications to county libraries; appropriating money; amending Minnesota Statutes 1976, Sections 15.051, Subdivision 4; 15.047, Subdivision 2; and 648.39, by adding a subdivision.

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

Page 2, line 16, after "a" insert "public"

Page 2, line 17, after "board" insert "after consultation with the regional library, if any, established pursuant to section 375.335 for the region in which the county is located"

Page 2, line 29, after "a" insert "public"

Page 2, line 30, after "board" insert "after consultation with the regional library, if any, established pursuant to section 375.335 for the region in which the county is located"

Page 3, line 7, after "a" insert "public"

Page 3, line 8, after "board" insert "after consultation with the regional library, if any, established pursuant to section 376.335 for the region in which the county is located"

Page 3, line 10, after the dollar sign insert "14,616"

Page 3, line 11, after the dollar sign insert "16,000"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 458: A bill for an act relating to welfare; increasing the personal allowance for persons in care facilities; amending Minnesota Statutes 1976, Section 256B.35, Subdivision 1.

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

Page 1, line 16, strike "\$35" and insert "30"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 446: A bill for an act relating to public welfare; increasing supplemental aid; appropriating money; amending Minnesota Statutes 1976, Section 256D.37, Subdivision 2, and by adding subdivisions.

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

Page 2, line 23, after the dollar sign insert "4,300,000"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 120: A bill for an act relating to education; establishing pilot transitional bilingual education programs; granting certain powers and duties to the state board of education; establishing a state bilingual education advisory task force; appropriating money; amending Minnesota Statutes 1976, Sections 120.095, by adding a subdivision; 120.10, Subdivision 2; and 126.07.

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

Page 9, line 11, after the period insert: "*The commissioner shall notify the board of teaching of any exemptions granted pursuant to this subdivision.*"

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. 512: A bill for an act relating to education; defining high potential children; increasing aids for certain enrichment programs; 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. Subdivision 1. [DEFINITION.] "High potential child" means a child who has superior intellectual ability, high academic aptitude, special creative talents, or special talents and

abilities other than special athletic ability, to the degree that he requires special instruction or services beyond those normally provided by the regular school program.

Subd. 2. Programs for high potential children in grades kindergarten through 12 may include: (a) identification of high potential children; (b) specific curriculum enrichment within the regular classroom; (c) special classes; (d) release from class hours for special projects; (e) staff development programs for all professional personnel in each district or educational cooperative service unit; (f) utilization of community personnel and organizations as resources; and (g) use of noncertified post secondary personnel to instruct elementary and secondary high potential children either on campuses or local school sites.

Subd. 3. Programs for high potential children may be conducted by local school districts, combinations of districts, or educational cooperative service units. The provider of the program shall set standards for the identification of high potential children within that program.

Sec. 2. School districts, combinations of districts, or educational cooperative service units may submit proposals for programs for high potential children to the council on quality education following the procedures established under sections 3.924 to 3.927.

Sec. 3. Prior to January 1, 1979, the council on quality education shall report to the appropriate committees of the legislature on any programs for high potential children funded by the council pursuant to this act or pursuant to the provisions of sections 3.924 to 3.927.

Sec. 4. [APPROPRIATION.] The sum of \$150,000 is appropriated from the general fund to the department of education for the biennium ending June 30, 1979. This amount shall be available for allocation by the council on quality education for programs for high potential children pursuant to section 2 of this act."

Amend the title as follows:

Page 1, line 3, strike "increasing aids" and insert "providing grants"

Page 1, line 4, after the semicolon, insert "requiring a report to the legislature by the council on quality education;"

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. 787 and 1364 for comparison to companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their Second Readings and substituted for their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
				787	678
				1364	1410

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. 1194, 916 and 1102 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
916	662	1194	1085		
1102	1129				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1194 be amended as follows:

Page 1, delete line 14 and insert

"except that in authorizing the bonds, the city council shall adopt an initial resolution stating the amount, purpose and, in general, the security to be provided for the bonds; and shall publish the resolution once each week for two consecutive weeks in the official newspaper. The bonds so authorized may be issued without the submission of the question of their issuance to the electors unless within 30 days after the second publication of the resolution a petition requesting an election signed by more than five percent of the qualified electors voting in the city at the last general election is filed with the city clerk. In the event a petition is filed, no bonds shall be issued under this subdivision unless authorized by a majority of the voters of the city voting on the question. The proceeds of"

Page 1, lines 15 and 16, delete "and the state of Minnesota"

And when so amended, H. F. No. 1194 will be identical to S. F. No. 1085 and further recommends that H. F. No. 1194 be given its second reading and substituted for S. F. No. 1085 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H. F. No. 916 be amended as follows:

Page 7, line 17, delete "Notwithstanding any law to the contrary,"

Page 7, line 25, after the period insert "The contract may specify that" and delete "may" and insert "shall"

Page 10, delete lines 1 to 9

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

Page 14, line 28, delete "subdivisions 1 to 6" and insert "this section"

Delete page 14, line 29 to page 15, line 10 and insert

"Subd. 2. [FILING.] *The obligee may file the foreign support order in a court of this state in the manner, with the effect, and for the purposes provided in this section.*

Subd. 3. [OFFICIAL TO REPRESENT OBLIGEE.] *If a court of this state has issued a support order or a support order has been filed in a court of this state for an obligee, the county attorney upon the request of the court, public welfare or other public social service agency shall represent the obligee in all proceedings under this section.*"

Page 15, line 11, delete "REGISTRATION" and insert "FILING"

Page 15, line 12, delete "register" and insert "file"

Page 15, line 26, delete "in the registry" and insert a period

Page 15, delete lines 27 and 28

Page 15, line 29, delete "registration" and insert "filing"

Page 15, line 31, delete "registration" and insert "filing"

Page 15, line 32, delete "registered" and insert "filed"

Page 16, line 4, delete "REGISTRATION" and insert "FILING"

Page 16, line 5, delete "registration the registered" and insert "filing the"

Page 16, line 13, delete "registration" and insert "filing"

Page 16, line 14, delete "registration" and insert "filing"

Page 16, line 15, delete "registered" and insert "filed"

Page 16, line 16, delete "registered" and insert "filed"

Page 16, line 18, before "this" insert "a court of"

Page 16, line 19, after "stayed" insert a comma

Page 16, line 22, after "of" insert "a court of"

Renumber the subdivisions in order

And when so amended, H. F. No. 916 will be identical to S. F. No. 662 and further recommends that H. F. No. 916 be given its second reading and substituted for S. F. No. 662 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1102 be amended as follows:

Delete page 1, line 14 to page 2, line 26.

Delete page 3, line 21 to page 4, line 23

Delete page 4, line 30 to page 5, line 21

Page 5, lines 31 and 32, delete "provided upon request to each contract parker." and insert "issued to each contract parker and other persons who request a copy from the department of administration."

Page 6, line 20, before "marking" insert "coloring or"

Page 6, line 21, strike "division" and insert "bureau"

Delete page 6, line 25 to page 9, line 16

Delete page 9, line 31 to page 10, line 4 and insert

"Sec. 10. *This act is effective July 1, 1977.*"

Renumber the sections in sequence

Further amend the title as follows:

Line 2, after the semicolon insert "procedures used in"

Line 4, delete everything after the comma

Line 5, delete "15.047, Subdivision 1;"

Line 6, delete "16,"

Lines 7 and 8, delete "16.07, Subdivision 8, and by adding a subdivision;"

Lines 9 and 10, delete "16.80, Subdivision 1; 238.04, Subdivision 2;"

And when so amended, H. F. No. 1102 will be identical to S. F. No. 1129 and further recommends that H. F. No. 1102 be given its second reading and substituted for S. F. No. 1129 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. 848 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
848	441				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 848 be amended as follows:

Page 2, line 9, delete "1978" and insert "1979"

Page 4, line 16, delete "1978" and insert "1979"

Page 14, line 3, delete "1978" and insert "1979"

Page 15, line 22, delete "58" and insert "55"

Page 15, line 23, delete "20" and insert "ten" and after "service" insert "*or who has received credit for not less than 30 years of service regardless of age,*"

Page 15, line 27, after "65" insert "*to and including age 60 and reduced by one-fourth of one percent for each month under age 60*"

Page 16, line 3, delete "*an amount equivalent to*"

Page 16, delete lines 4 to 6 and insert "*the arithmetic average annual salary, wages or compensation upon which contributions have been made for any five calendar years out of the last ten calendar years of service, which may include the year in which the coordinated employee retires, as selected by the coordinated employee.*"

Page 16, line 32, after "3" delete the comma

Page 19, line 31, delete "1978" and insert "1979"

Page 20, line 3, delete "1978" and insert "1979"

Page 20, line 10, delete "1978" and insert "1979"

Page 20, line 12, delete "1978" and insert "1979,"

Page 20, line 14, delete "1983" and insert "1984"

Page 20, line 18, delete "1982" and insert "1983"

Page 20, line 23, delete "1978" and insert "1979"

Page 20, line 25, delete "1979" and insert "1980"

Page 20, line 29, delete "1980" and insert "1981"

Page 21, line 19, delete "1978" and insert "1979"

Further amend the title as follows:

Line 2, delete "retirement;" and insert "the city of"

Lines 2 and 3, delete "municipal employees retirement fund"

Lines 10 and 11, delete "and Chapters" and insert "Chapter"

Line 11, after "and" insert "Chapter"

And when so amended, H. F. No. 848 will be identical to S. F. No. 441 and further recommends that H. F. No. 848 be given its second reading and substituted for S. F. No. 441 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. 1226 and 952 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS CONSENT CALENDAR CALENDAR

H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1226	1131				
952	850				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1226 be amended as follows:

Page 2, line 11, strike "such" and after "as" insert "*determined by*" and strike "shall determine"

Page 2, line 13, delete everything after the period

Page 2, delete lines 14 and 15

Page 2, line 26, strike "such" and strike "may be fixed" and insert "*determined*"

Page 3, line 3, strike "such"

Page 3, lines 3 and 4, strike "may be fixed" and insert "*determined*"

Page 3, line 9, strike "such" and "as"

Page 3, line 10, strike "may be" and strike "such" and insert "*the*"

Page 3, line 11, strike "as are"

Page 3, line 12, strike "such others as may be" and insert "*those other powers*"

Page 3, line 13, strike "without" and insert "*shall not have*"

Page 3, line 16, after "of" insert "*a*"

And when so amended, H. F. No. 1226 will be identical to S. F. No. 1131 and further recommends that H. F. No. 1226 be given its second reading and substituted for S. F. No. 1131 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 952 be amended as follows:

Page 1, line 12, delete "*one or more suitable*"

Page 1, line 13, delete "*persons*" and insert "*a person*"

Page 1, line 13, delete "*referees*" and insert "*referee*"

Page 1, line 14, delete "*Such referees*" and insert "*The referee*"

Page 1, delete lines 17 and 18

Page 1, line 19, delete "*referees*" and insert "*the referee*"

Page 1, line 21, delete "*Minnesota,*" and after "*judges*" insert "*of the sixth judicial district. The compensation of the referee shall be subject to the limitations set forth in section 15A.083, subdivision 5, which becomes effective July 1, 1977*"

Page 1, line 22, delete "referees" and insert "referee"

Page 2, line 6, delete "such" and insert "the"

Page 2, line 14, delete "a" and insert "the"

Page 2, line 15, delete "said" and insert "the"

Page 2, line 16, delete "such"

Page 2, line 18, delete "a" and insert "the"

Page 2, line 19, delete "such" and insert "the"

Page 2, line 21, delete "such"

Page 2, line 22, delete the comma and insert a period

Page 2, line 23, delete "and said" and insert "The" and delete "such" and insert "the"

Page 2, line 24, delete "such" and insert "the"

Page 2, line 29, delete "said referees" and insert "the referee"

Page 2, delete lines 31 and 32

Page 3, delete lines 1 and 2

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

And when so amended, H. F. No. 952 will be identical to S. F. No. 850 and further recommends that H. F. No. 952 be given its second reading and substituted for S. F. No. 850 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. 1087, 1435, 1422, 867, 1337, 124, 690, 90, 783, 458, 446 and 120 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1471, 903, 817, 787, 1364, 916, 1102, 1194, 1226, 952 and 848 were read the second time.

H. F. Nos. 1094, 562, 259, 972, 818, 980, 1054 and 829 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Engler moved that H. F. No. 1184 be withdrawn from the Committee on Governmental Operations and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1262 now on General Orders. The motion prevailed.

Mr. Kleinbaum moved that the name of Mr. Borden be added as co-author to S. F. No. 283. The motion prevailed.

Mr. Ueland, A. moved that the name of Mr. Renneke be added as co-author to S. F. No. 1134. The motion prevailed.

Mr. McCutcheon moved that his name be stricken and the name of Mr. Sikorski be added as co-author to S. F. No. 1354. The motion prevailed.

Mr. Johnson moved that the name of Mr. Schaaf be added as co-author to S. F. No. 527. 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. 1172: A bill for an act relating to administrative procedures of governmental agencies; adding metropolitan and capitol area agencies under the coverage of the administrative procedure act; limiting rule-making authority and obligations; permitting incorporation by reference; requiring completion of hearing examiner reports within a specified period; permitting an agency to appeal adverse district court decisions; providing copies of the state register for public libraries; providing for subpoenas and reporters; amending Minnesota Statutes 1976, Sections 15.0411, Subdivision 2; 15.0412; 15.0413, Subdivision 3; 15.0417; 15.0426; 15.048; 15.051, Subdivision 4; 15.052, Subdivisions 4 and 5; and 15.42.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knoll	Olhoff	Sikorski
Ashbach	Frederick	Knutson	Penny	Sillers
Bang	Gearty	Laufenburger	Perpich	Solon
Benedict	Gunderson	Lessard	Peterson	Spear
Bernhagen	Hanson	Lewis	Pillsbury	Staples
Borden	Humphrey	Luther	Purfeerst	Stokowski
Brataas	Jensen	McCutcheon	Renneke	Strand
Chmielewski	Johnson	Menning	Schaaf	Stumpf
Coleman	Keefe, J.	Merriam	Schmitz	Ueland, A.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet

So the bill passed and its title was agreed to.

S. F. No. 1051: A bill for an act relating to grand juries; providing for grand juries drawn from more than one county; amending Minnesota Statutes 1976, Section 628.41.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Perpich	Spear
Ashbach	Gearty	Lessard	Peterson	Staples
Bang	Gunderson	Lewis	Pillsbury	Stokowski
Benedict	Hanson	Luther	Purfeerst	Strand
Bernhagen	Humphrey	McCutcheon	Renneke	Stumpf
Borden	Jensen	Menning	Schaaf	Ueland, A.
Brataas	Johnson	Merriam	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Schrom	Vega
Coleman	Keefe, S.	Nichols	Setzepfandt	Wegener
Davies	Kirchner	Ogdahl	Sieloff	Willet
Dieterich	Kleinbaum	Olhoft	Sikorski	
Dunn	Knoll	Olson	Sillers	
Engler	Knutson	Penny	Solon	

So the bill passed and its title was agreed to.

S. F. No. 698: A bill for an act relating to insurance companies; simplifying language and removing obsolete provisions; clarifying ambiguities; establishing certain responsibilities; requiring performance bonds for certain corporate officers and employees; increasing certain fees; increasing certain capitalization and reserve requirements; providing certain restrictions; authorizing mutual companies to write certain additional kinds of insurance; prescribing certain penalties; amending Minnesota Statutes 1976, Sections 60A.07, Subdivisions 5d and 11; 60A.09, Subdivision 1; 60A.10, Subdivision 1; 60A.11, Subdivision 2; 60A.12, Subdivision 5; 60A.19, Subdivision 1; 60A.23, Subdivision 7; 60C.06, Subdivision 1; 61A.40; 66A.08, Subdivision 1; 66A.09; 66A.10; 66A.16, Subdivision 2; repealing Minnesota Statutes 1976, Sections 60A.12, Subdivision 6; and 63.36.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Penny	Solon
Ashbach	Gearty	Lessard	Perpich	Spear
Bang	Gunderson	Lewis	Peterson	Staples
Benedict	Hanson	Luther	Pillsbury	Stokowski
Bernhagen	Humphrey	McCutcheon	Purfeerst	Strand
Borden	Jensen	Menning	Renneke	Stumpf
Brataas	Johnson	Merriam	Schaaf	Ueland, A.
Chmielewski	Keefe, J.	Moe	Schmitz	Ulland, J.
Coleman	Keefe, S.	Nelson	Schrom	Vega
Davies	Kirchner	Nichols	Setzepfandt	Wegener
Dieterich	Kleinbaum	Ogdahl	Sieloff	Willet
Dunn	Knoll	Olhoft	Sikorski	
Engler	Knutson	Olson	Sillers	

So the bill passed and its title was agreed to.

S. F. No. 1029: 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 1976, Sections 116A.01, Subdivisions 1, 1a, 2 and 4, and by adding a subdivision; 116A.02, by adding a subdivision; 116A.09; 116A.11, Subdivision 4; 116A.12, by adding a subdivision; 116A.16; 116A.17, Subdivision 2; 116A.20, Subdivisions 2 and 6; and 116A.24, Subdivisions 1, 2 and 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lewis	Peterson	Staples
Ashbach	Gunderson	Luther	Pillsbury	Stokowski
Bang	Hanson	McCutcheon	Purfeerst	Strand
Benedict	Humphrey	Menning	Renneke	Stumpf
Bernhagen	Jensen	Moe	Schaaf	Ueland, A.
Borden	Johnson	Nelson	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Nichols	Schrom	Vega
Coleman	Keefe, S.	Ogdahl	Setzepfandt	Wegener
Davies	Kirchner	Olhoft	Sieloff	Willet
Dunn	Kleinbaum	Olson	Sillers	
Engler	Laufenburger	Penny	Solon	
Frederick	Lessard	Perpich	Spear	

Mrs. Brataas, Messrs. Dieterich, Knutson and Merriam voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 544: 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; 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 arbitrators; eliminating the independent review of grievances; amending Minnesota Statutes 1976, 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 4, 5, 6, 14, and by adding a subdivision; 179.68; 179.69, Subdivisions 1 and 2; 179.70, Subdivision 1; 179.71, Subdivisions 2, 3, 4 and 5; 179.72, Subdivisions 1, 3, 4, 6 and 7; 179.74, Subdivisions 2 and 4; repealing Minnesota Statutes 1976, Section 179.76.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Penny	Solon
Ashbach	Gearty	Lessard	Perpich	Spear
Bang	Gunderson	Lewis	Peterson	Staples
Benedict	Hanson	Luther	Pillsbury	Stokowski
Bernhagen	Humphrey	McCutcheon	Purfeerst	Strand
Borden	Jensen	Menning	Renneke	Stumpf
Brataas	Johnson	Merriam	Schaaf	Ueland, A.
Chmielewski	Keefe, J.	Moe	Schmitz	Ulland, J.
Coleman	Keefe, S.	Nelson	Schrom	Vega
Davies	Kirchner	Nichols	Setzepfandt	Wegener
Dieterich	Kleinbaum	Ogdahl	Sieloff	Willet
Dunn	Knoll	Olhoft	Sikorski	
Engler	Knutson	Olson	Sillers	

So the bill passed and its title was agreed to.

S. F. No. 556: A bill for an act relating to the city of Minneapolis and Hennepin county municipal building commission; providing for tenure and benefits to certain employees; amending Laws 1903, Chapter 247, Section 2, as amended.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Renneke	Stumpf
Chmielewski	Johnson	Merriam	Schaaf	Ueland, A.
Coleman	Keefe, J.	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoft	Sikorski	

So the bill passed and its title was agreed to.

THIRD READING OF HOUSE BILLS

H. F. No. 1130: A bill for an act relating to motor vehicle carriers; requiring insurance or bond before the issuance of a certificate or permit to a motor carrier; providing for suspension and revocation of certificate or permit for failure to maintain insurance or other security; permitting lesser registration fees for certain interstate motor carriers; amending Minnesota Statutes 1976, Sections 221.141, Subdivision 1; and 221.64.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Renneke	Stumpf
Chmielewski	Johnson	Merriam	Schaaf	Ueland, A.
Coleman	Keefe, J.	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoff	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 461: A bill for an act relating to welfare; providing penalties for welfare offenses; amending Minnesota Statutes 1976, Sections 256.98; and 393.07, Subdivision 10.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Penny	Solon
Ashbach	Gearty	Laufenburger	Perpich	Staples
Bang	Gunderson	Lessard	Peterson	Stokowski
Benedict	Hanson	Luther	Pillsbury	Strand
Bernhagen	Hughes	McCutcheon	Purfeerst	Stumpf
Borden	Humphrey	Menning	Renneke	Ueland, A.
Brataas	Jensen	Merriam	Schaaf	Ulland, J.
Chmielewski	Johnson	Moe	Schmitz	Vega
Coleman	Keefe, J.	Nelson	Schrom	Wegener
Davies	Keefe, S.	Nichols	Setzepfandt	Willet
Dieterich	Kirchner	Ogdahl	Sieloff	
Dunn	Kleinbaum	Olhoff	Sikorski	
Engler	Knoll	Olson	Sillers	

Messrs. Lewis and Spear voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 801: A bill for an act relating to crimes; specifying certain acts which constitute theft in relation to cable television services and systems; providing penalties; amending Minnesota Statutes 1976, Section 609.52, Subdivision 2; and Chapter 609, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Solon
Ashbach	Gearty	Laufenburger	Penny	Spear
Bang	Gunderson	Lessard	Perpich	Staples
Benedict	Hanson	Lewis	Peterson	Stokowski
Bernhagen	Hughes	Luther	Pillsbury	Strand
Borden	Humphrey	McCutcheon	Renneke	Stumpf
Brataas	Jensen	Menning	Schaaf	Ueland, A.
Chmielewski	Johnson	Merriam	Schmitz	Ulland, J.
Coleman	Keefe, J.	Moe	Schrom	Vega
Davies	Keefe, S.	Nelson	Setzepfandt	Wegener
Dieterich	Kirchner	Nichols	Sieloff	Willet
Dunn	Kleinbaum	Ogdahl	Sikorski	
Engler	Knoll	Olhoft	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 921: A bill for an act relating to public employees; designating the number of arbitrators to resolve labor dispute; amending Minnesota Statutes 1976, Section 179.72, Subdivision 6.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lessard	Perpich	Spear
Bang	Gunderson	Lewis	Peterson	Staples
Benedict	Hanson	Luther	Pillsbury	Strand
Bernhagen	Hughes	McCutcheon	Purfeerst	Stumpf
Borden	Humphrey	Menning	Renneke	Ueland, A.
Brataas	Johnson	Merriam	Schaaf	Ulland, J.
Chmielewski	Keefe, J.	Moe	Schmitz	Vega
Coleman	Keefe, S.	Nelson	Schrom	Wegener
Davies	Kirchner	Nichols	Setzepfandt	Willet
Dieterich	Kleinbaum	Ogdahl	Sieloff	
Dunn	Knoll	Olhoft	Sikorski	
Engler	Knutson	Olson	Sillers	
Frederick	Laufenburger	Penny	Solon	

Messrs. Ashbach and Jensen voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 166: A bill for an act relating to health; licensing certain facilities; allowing for the reinstatement of previously adopted rules; amending Minnesota Statutes 1976, Section 144.50.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Perpich	Spear
Ashbach	Gearty	Lessard	Peterson	Staples
Bang	Gunderson	Luther	Pillsbury	Stokowski
Benedict	Hanson	McCutcheon	Purfeerst	Strand
Bernhagen	Hughes	Menning	Renneke	Stumpf
Borden	Humphrey	Merriam	Schaaf	Ueland, A.
Brataas	Jensen	Moe	Schmitz	Ulland, J.
Chmielewski	Johnson	Nelson	Schrom	Vega
Coleman	Keefe, J.	Nichols	Setzepfandt	Wegener
Davies	Keefe, S.	Ogdahl	Sieloff	Willet
Dieterich	Kirchner	Olhoft	Sikorski	
Dunn	Kleinbaum	Olson	Sillers	
Engler	Knoll	Penny	Solon	

Mr. Knutson voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 324: A bill for an act relating to sheriffs; increasing the fees and mileage allowance; amending Minnesota Statutes 1976, Section 357.09, Subdivisions 1, 2, and 4; repealing Minnesota Statutes 1976, Sections 357.09, Subdivision 5; and 357.10.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Penny	Solon
Ashbach	Gearty	Lessard	Perpich	Spear
Bang	Gunderson	Lewis	Peterson	Staples
Benedict	Hanson	Luther	Pillsbury	Stokowski
Bernhagen	Hughes	McCutcheon	Purfeerst	Strand
Borden	Humphrey	Menning	Renneke	Stumpf
Brataas	Jensen	Merriam	Schaaf	Ueland, A.
Chmielewski	Johnson	Moe	Schmitz	Ulland, J.
Coleman	Keefe, J.	Nelson	Schrom	Vega
Davies	Keefe, S.	Nichols	Setzepfandt	Wegener
Dieterich	Kirchner	Ogdahl	Sieloff	Willet
Dunn	Kleinbaum	Olhoft	Sikorski	
Engler	Knoll	Olson	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 114: A bill for an act relating to intoxicating liquor; regulation and taxation of liquor sold in commemorative bottles; amending Minnesota Statutes 1976, Sections 340.11, Subdivision 15; 340.44; and 340.601.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Penny	Sillers
Ashbach	Gearty	Lessard	Perpich	Solon
Bang	Gunderson	Lewis	Peterson	Spear
Benedict	Hanson	Luther	Pillsbury	Staples
Bernhagen	Hughes	Menning	Purfeerst	Stokowski
Borden	Humphrey	Merriam	Renneke	Strand
Brataas	Jensen	Moe	Schaaf	Stumpf
Coleman	Johnson	Nelson	Schmitz	Ueland, A.
Davies	Keefe, J	Nichols	Schrom	Ulland, J.
Dieterich	Keefe, S.	Ogdahl	Setzpfandt	Vega
Dunn	Kleinbaum	Olhoff	Sieloff	Wegener
Engler	Knoll	Olson	Sikorski	Willet

Messrs. Chmielewski and McCutcheon voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 524: A bill for an act relating to beverage containers; detachable parts of noncarbonated beverage cans; amending Minnesota Statutes 1976, Section 325.248, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knoll	Olhoff	Sillers
Ashbach	Frederick	Knutson	Olson	Solon
Bang	Gearty	Laufenburger	Perpich	Spear
Benedict	Hanson	Lessard	Peterson	Staples
Bernhagen	Hughes	Lewis	Pillsbury	Stokowski
Borden	Humphrey	Luther	Purfeerst	Strand
Brataas	Jensen	McCutcheon	Renneke	Stumpf
Chmielewski	Johnson	Menning	Schaaf	Ueland, A.
Coleman	Keefe, J.	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzpfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet

Messrs. Merriam, Penny and Sikorski voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 307: A bill for an act relating to retirement; correcting outdated references in the teachers retirement law; amending Minnesota Statutes 1976, Sections 354.05, Subdivision 25; 354.41, Subdivision 3; 354.49, Subdivision 1; 354.53, Subdivision 1; 354.-55, Subdivisions 6, 15, and 18; and 354.58.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Renneke	Stumpf
Chmielewski	Johnson	Merriam	Schaaf	Ueland, A.
Coleman	Keefe, J.	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoft	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 930: A bill for an act relating to the counties of Hennepin and Scott; directing the counties to design and construct a temporary replacement of the Bloomington ferry bridge.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Renneke	Stumpf
Chmielewski	Johnson	Merriam	Schaaf	Ueland, A.
Coleman	Keefe, J.	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoft	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 563: A bill for an act relating to Independent School District No. 721 (New Prague) and Independent School District No. 194 (Lakeville); providing for certain land to be detached from Independent School District No. 721 and annexed to Independent School District No. 194.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Renneke	Stumpf
Chmielewski	Johnson	Merriam	Schaaf	Ueland, A.
Coleman	Keefe, J.	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoft	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 521: A bill for an act relating to Independent School District No. 196 (Rosemount) and Independent School District No. 194 (Lakeville); providing for certain land to be detached from Independent School District No. 196 and annexed to Independent School District No. 194.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Penny	Solon
Ashbach	Gearty	Lessard	Perpich	Spear
Bang	Hanson	Lewis	Peterson	Staples
Benedict	Hughes	Luther	Pillsbury	Stokowski
Bernhagen	Humphrey	McCutcheon	Purfeerst	Strand
Borden	Jensen	Menning	Renneke	Stumpf
Brataas	Johnson	Merriam	Schaaf	Ueland, A.
Chmielewski	Keefe, J.	Moe	Schmitz	Ulland, J.
Coleman	Keefe, S.	Nelson	Schrom	Vega
Davies	Kirchner	Nichols	Setzepfandt	Wegener
Dieterich	Kleinbaum	Ogdahl	Sieloff	Willet
Dunn	Knoll	Olhoft	Sikorski	
Engler	Knutson	Olson	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 76: A bill for an act relating to highways; providing a simplified procedure for the removal of trees, shrubs and other obstructions within the limits of town roads; removing provision for an appeal by abutting owners; amending Minnesota Statutes 1976, Section 160.22, Subdivision 8, and by adding a subdivision; repealing Minnesota Statutes 1976, Section 160.22, Subdivision 7.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Renneke	Stumpf
Chmielewski	Johnson	Merriam	Schaaf	Ueland, A.
Coleman	Keefe, J.	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoft	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 300: A bill for an act relating to elections; removing a provision for special hours during which registration locations must be open; amending Minnesota Statutes 1976, Section 201.091, Subdivision 6.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Penny	Solon
Ashbach	Gunderson	Lessard	Perpich	Spear
Bang	Hanson	Lewis	Peterson	Staples
Benedict	Hughes	Luther	Pillsbury	Stokowski
Bernhagen	Humphrey	McCutcheon	Purfeerst	Strand
Borden	Jensen	Menning	Renneke	Stumpf
Brataas	Johnson	Merriam	Schaaf	Ueland, A.
Chmielewski	Keefe, J.	Moe	Schmitz	Ulland, J.
Coleman	Keefe, S.	Nelson	Schrom	Vega
Davies	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoft	Sikorski	
Frederick	Knutson	Olson	Sillers	

Mr. Dieterich voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 334: A bill for an act relating to highway traffic regulations; lengths of certain vehicles and combinations of vehicles; amending Minnesota Statutes 1976, Section 169.81, Subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 9, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Olson	Sikorski
Ashbach	Gearty	Knutson	Penny	Sillers
Bang	Gunderson	Laufenburger	Peterson	Solon
Benedict	Hanson	Lessard	Pillsbury	Stokowski
Bernhagen	Hughes	Lewis	Purfeerst	Strand
Borden	Humphrey	Luther	Renneke	Stumpf
Brataas	Johnson	Menning	Schaaf	Ueland, A.
Chmielewski	Keefe, J.	Merriam	Schmitz	Ulland, J.
Dieterich	Keefe, S.	Moe	Schrom	Vega
Dunn	Kirchner	Nelson	Setzepfandt	Wegener
Engler	Kleinbaum	Nichols	Sieloff	Willet

Those who voted in the negative were:

Coleman	Jensen	Ogdahl	Perpich	Staples
Davies	McCutcheon	Olhoft	Spear	

So the bill passed and its title was agreed to.

H. F. No. 308: A bill for an act relating to retirement; Minnesota state retirement system; exclusion from pension coverage for certain tradesmen of the metropolitan waste control commission; amending Minnesota Statutes 1976, Sections 352.01, Subdivision 2B; 473.141, Subdivision 12; and 473.511, Subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Renneke	Stumpf
Chmielewski	Johnson	Merriam	Schaaf	Ueland, A.
Coleman	Keefe, J.	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoft	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 621: A bill for an act relating to motor vehicles; defining terms; clarifying certain motor vehicle dealer licensing requirements; prohibiting brokerage sales of new motor vehicles by motor vehicle brokers; preempting local bonding requirements; amending Minnesota Statutes 1976, Section 168.27, Subdivisions 1, 4, 5, 8, 13, 16, 22, 24 and by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Renneke	Stumpf
Chmielewski	Johnson	Merriam	Schaaf	Ueland, A.
Coleman	Keefe, J.	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzepfandt	Willet
Dunn	Kleinbaum	Ogdahl	Sieloff	
Engler	Knoll	Olhoft	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 42: A bill for an act relating to firearms; clarifying the requirements for transportation of muzzle loading firearms; amending Minnesota Statutes 1976, Section 100.29, Subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Solon
Ashbach	Gearty	Laufenburger	Penny	Spear
Bang	Gunderson	Lessard	Perpich	Staples
Benedict	Hanson	Lewis	Peterson	Stokowski
Bernhagen	Hughes	Luther	Pillsbury	Strand
Borden	Humphrey	McCutcheon	Purfeerst	Stumpf
Brataas	Jensen	Menning	Renneke	Ueland, A.
Chmielewski	Johnson	Merriam	Schaaf	Ulland, J.
Coleman	Keefe, J.	Moe	Schmitz	Vega
Davies	Keefe, S.	Nelson	Setzepfandt	Wegener
Dieterich	Kirchner	Nichols	Sieloff	Willet
Dunn	Kleinbaum	Ogdahl	Sikorski	
Engler	Knoll	Olhoft	Sillers	

Mr. Schrom voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 176: A bill for an act relating to drivers licenses; providing that nonqualification certificates may be issued to applicants who are 14 years of age or older; amending Minnesota Statutes 1976, Section 171.07, Subdivision 3.

Mr. Stokowski moved to amend H. F. No. 176 as follows:

Amend the title as follows:

Page 1, line 2, strike "that" and insert "for the issuance of"

Page 1, line 3, strike "may be issued to"

Page 1, line 4, strike everything before the semicolon

The motion prevailed. So the amendment was adopted.

H. F. No. 176 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Renneke	Stumpf
Chmielewski	Johnson	Merriam	Schaaf	Ueland, A.
Coleman	Keefe, J.	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoff	Sikorski	

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

H. F. No. 75: A bill for an act relating to public safety; requiring railroad companies to reimburse local governments and non-profit fire fighting corporations for expenses incurred to extinguish locomotive caused fires.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Penny	Solon
Ashbach	Gearty	Laufenburger	Perpich	Spear
Bang	Gunderson	Lessard	Peterson	Staples
Benedict	Hanson	Lewis	Pillsbury	Stokowski
Bernhagen	Hughes	Luther	Purfeerst	Strand
Borden	Humphrey	McCutcheon	Renneke	Stumpf
Brataas	Jensen	Menning	Schaaf	Ueland, A.
Chmielewski	Johnson	Merriam	Schmitz	Ulland, J.
Coleman	Keefe, J.	Moe	Schrom	Vega
Davies	Keefe, S.	Nichols	Setzepfandt	Wegener
Dieterich	Kirchner	Ogdahl	Sieloff	Willet
Dunn	Kleinbaum	Olhoff	Sikorski	
Engler	Knoll	Olson	Sillers	

Mr. Nelson voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 33: A bill for an act relating to motor vehicles; defining motorized bicycles; providing for the registration of motorized bicycles and the licensing of their operators; providing operating rules; amending Minnesota Statutes 1976, Chapter 169, by adding a section; and Sections 168.011, Subdivision 26, and by adding a

subdivision; 168.013, by adding a subdivision; 168.27, Subdivision 20; 168A.01, Subdivision 24; 169.01, Subdivision 4, and by adding a subdivision; 169.305, Subdivision 1; 171.01, Subdivision 17, and by adding a subdivision; and 171.02, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Penny	Spear
Ashbach	Gunderson	Lessard	Perpich	Staples
Bang	Hanson	Lewis	Peterson	Stokowski
Benedict	Hughes	Luther	Pillsbury	Strand
Bernhagen	Humphrey	McCutcheon	Purfeerst	Stumpf
Borden	Jensen	Menning	Renneke	Ueland, A.
Brataas	Johnson	Merriam	Schaaf	Ulland, J.
Chmielewski	Keefe, J.	Moe	Schmitz	Vega
Coleman	Keefe, S.	Nelson	Setzepfandt	Wegener
Davies	Kirchner	Nichols	Sieloff	Willet
Dunn	Kleinbaum	Ogdahl	Sikorski	
Engler	Knoll	Olhoft	Sillers	
Frederick	Knutson	Olson	Solon	

Mr. Schrom voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 970: A bill for an act relating to natural resources; amending certain laws concerning minnows; amending Minnesota Statutes 1976, Sections 97.40, Subdivision 27; 97.45, Subdivision 15; 97.55, Subdivision 13; 98.46, Subdivisions 5 and 17; and 101.42, Subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 31 and nays 33, as follows:

Those who voted in the affirmative were:

Coleman	Hughes	Lessard	Peterson	Ulland, J.
Davies	Humphrey	McCutcheon	Schaaf	Vega
Dieterich	Keefe, J.	Merriam	Schmitz	Willet
Engler	Keefe, S.	Nelson	Sieloff	
Frederick	Kirchner	Nichols	Sikorski	
Gearty	Kleinbaum	Penny	Solon	
Hanson	Laufenburger	Perpich	Stokowski	

Those who voted in the negative were:

Ashbach	Dunn	Luther	Pillsbury	Staples
Bang	Gunderson	Menning	Purfeerst	Strand
Benedict	Jensen	Milton	Renneke	Stumpf
Bernhagen	Johnson	Moe	Schrom	Ueland, A.
Borden	Knoll	Ogdahl	Setzepfandt	Wegener
Brataas	Knutson	Olhoft	Sillers	
Chmielewski	Lewis	Olson	Spear	

So the bill failed to pass.

H. F. No. 1469: A bill for an act relating to transportation; extending the time for submission by the commissioner of certain proposals relating to certain modes of transportation; amending Minnesota Statutes 1976, Section 174.06, Subdivision 7.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Penny	Solon
Ashbach	Gearty	Laufenburger	Perpich	Spear
Bang	Gunderson	Lessard	Peterson	Staples
Benedict	Hanson	Lewis	Pillsbury	Stokowski
Bernhagen	Hughes	Luther	Purfeerst	Strand
Borden	Humphrey	Menning	Renneke	Stumpf
Brataas	Jensen	Merriam	Schaaf	Ueland, A.
Chmielewski	Johnson	Moe	Schmitz	Ulland, J.
Coleman	Keefe, J.	Nelson	Schrom	Vega
Davies	Keefe, S.	Nichols	Setzepfandt	Wegener
Dieterich	Kirchner	Ogdahl	Sieloff	Willet
Dunn	Kleinbaum	Olhoff	Sikorski	
Engler	Knoll	Olson	Sillers	

Messrs. McCutcheon and Milton voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 685: A bill for an act relating to the city of Hibbing; authorizing an increase in the service pensions of certain retired firemen; amending Laws 1935, Chapter 192, Section 1, as amended, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olhoff	Sikorski
Ashbach	Gearty	Laufenburger	Olson	Sillers
Bang	Gunderson	Lessard	Penny	Solon
Benedict	Hanson	Lewis	Perpich	Spear
Bernhagen	Hughes	Luther	Peterson	Staples
Borden	Humphrey	McCutcheon	Pillsbury	Stokowski
Brataas	Jensen	Menning	Purfeerst	Strand
Chmielewski	Johnson	Merriam	Renneke	Stumpf
Coleman	Keefe, J.	Milton	Schaaf	Ueland, A.
Davies	Keefe, S.	Moe	Schmitz	Ulland, J.
Dieterich	Kirchner	Nelson	Schrom	Vega
Dunn	Kleinbaum	Nichols	Setzepfandt	Wegener
Engler	Knoll	Ogdahl	Sieloff	Willet

So the bill passed and its title was agreed to.

H. F. No. 1248: A bill for an act relating to the city of Springfield; providing for city buildings and equipment and their use; providing for a bond issue.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Penny	Spear
Ashbach	Gunderson	Lessard	Perpich	Staples
Bang	Hanson	Lewis	Pillsbury	Stokowski
Benedict	Hughes	Luther	Purfeerst	Strand
Bernhagen	Humphrey	McCutcheon	Renneke	Stumpf
Borden	Jensen	Menning	Schaaf	Ueland, A.
Chmielewski	Johnson	Milton	Schmitz	Ulland, J.
Coleman	Keefe, J.	Moe	Schrom	Vega
Davies	Keefe, S.	Nelson	Setzepfandt	Wegener
Dieterich	Kirchner	Nichols	Sieloff	Willet
Dunn	Kleinbaum	Ogdahl	Sikorski	
Engler	Knoll	Olhoft	Sillers	
Frederick	Knutson	Olson	Solon	

Messrs. Merriam and Peterson voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1099: A bill for an act relating to retirement; proportionate vesting of volunteer firemen's relief association service pensions; amending Minnesota Statutes 1976, Section 69.06; and 69.772, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olhoft	Sillers
Ashbach	Gearty	Laufenburger	Olson	Solon
Bang	Gunderson	Lessard	Penny	Spear
Benedict	Hanson	Lewis	Perpich	Staples
Bernhagen	Hughes	Luther	Peterson	Stokowski
Borden	Humphrey	McCutcheon	Pillsbury	Strand
Brataas	Jensen	Menning	Purfeerst	Stumpf
Chmielewski	Johnson	Merriam	Renneke	Ueland, A.
Coleman	Keefe, J.	Milton	Schaaf	Ulland, J.
Davies	Keefe, S.	Moe	Schmitz	Vega
Dieterich	Kirchner	Nelson	Schrom	Wegener
Dunn	Kleinbaum	Nichols	Sieloff	Willet
Engler	Knoll	Ogdahl	Sikorski	

Mr. Setzepfandt voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 103: A bill for an act relating to highway traffic regulations; providing that a person may lawfully stop or park his motor vehicle on highways and streets under specified conditions for the purpose of aiding distressed motorists; amending Minnesota Statutes 1976, Chapter 169, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 8, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Knutson	Olhoft	Sillers
Ashbach	Gunderson	Laufenburger	Penny	Solon
Bang	Hanson	Lessard	Pillsbury	Stokowski
Bernhagen	Hughes	Lewis	Purfeerst	Strand
Brataas	Jensen	Luther	Renneke	Ueland, A.
Chmielewski	Johnson	Merriam	Schaaf	Ulland, J.
Davies	Keefe, J.	Milton	Schmitz	Vega
Dieterich	Keefe, S.	Moe	Schrom	Wegener
Dunn	Kirchner	Nelson	Setzepfandt	Willet
Engler	Kleinbaum	Nichols	Sieloff	
Frederick	Knoll	Ogdahl	Sikorski	

Those who voted in the negative were:

Benedict	McCutcheon	Peterson	Staples	Stumpf
Humphrey	Menning	Spear		

So the bill passed and its title was agreed to.

H. F. No. 598: A bill for an act relating to Becker county; providing for the imposition of a tax upon persons, copartnerships, companies, joint stock companies, corporations, and associations however organized engaged therein in the business of removing gravel from gravel pits or deposits of gravel, for enforcing the same and prescribing penalties for violations thereof.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lewis	Perpich	Spear
Ashbach	Hanson	Luther	Peterson	Staples
Bang	Hughes	McCutcheon	Pillsbury	Stokowski
Benedict	Humphrey	Menning	Purfeerst	Strand
Bernhagen	Jensen	Merriam	Renneke	Stumpf
Borden	Johnson	Milton	Schaaf	Ueland, A.
Brataas	Keefe, J.	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet
Engler	Knutson	Olhoft	Sikorski	
Frederick	Laufenburger	Olson	Sillers	
Gearty	Lessard	Penny	Solon	

Mr. Chmielewski voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 707: A bill for an act relating to taxation; changing certain procedures for objecting to real or personal property taxes; providing for city and town attorneys to handle prosecutions;

amending Minnesota Statutes 1976, Sections 277.011, Subdivisions 1 and 5; 278.01 and 278.05.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Olson	Sillers
Ashbach	Gunderson	Lessard	Penny	Solon
Bang	Hanson	Lewis	Perpich	Spear
Benedict	Hughes	Luther	Peterson	Staples
Bernhagen	Humphrey	McCutcheon	Pillsbury	Stokowski
Borden	Jensen	Menning	Purfeerst	Strand
Brataas	Johnson	Merriam	Renneke	Stumpf
Chmielewski	Keefe, J.	Milton	Schaaf	Ueland, A.
Davies	Keefe, S.	Moe	Schmitz	Ulland, J.
Dieterich	Kirchner	Nelson	Schrom	Vega
Dunn	Kleinbaum	Nichols	Setzepfandt	Wegener
Engler	Knoll	Ogdahl	Sieloff	Willet
Frederick	Knutson	Olhoft	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 414: A bill for an act relating to the city of Fairmont; membership of new police in the public employees retirement association.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Olson	Sillers
Ashbach	Gunderson	Lessard	Penny	Solon
Bang	Hanson	Lewis	Perpich	Spear
Benedict	Hughes	Luther	Peterson	Staples
Bernhagen	Humphrey	McCutcheon	Pillsbury	Stokowski
Borden	Jensen	Menning	Purfeerst	Strand
Brataas	Johnson	Merriam	Renneke	Stumpf
Chmielewski	Keefe, J.	Milton	Schaaf	Ueland, A.
Davies	Keefe, S.	Moe	Schmitz	Ulland, J.
Dieterich	Kirchner	Nelson	Schrom	Vega
Dunn	Kleinbaum	Nichols	Setzepfandt	Wegener
Engler	Knoll	Ogdahl	Sieloff	Willet
Frederick	Knutson	Olhoft	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 805: A bill for an act relating to public employees; permitting affiliation of supervisory and confidential employees; principals and assistant principals in certain bargaining units; amending Minnesota Statutes 1976, Section 179.65, Subdivision 6.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 35 and nays 24, as follows:

Those who voted in the affirmative were:

Anderson	Humphrey	Luther	Olson	Spear
Benedict	Johnson	Merriam	Penny	Staples
Borden	Keefe, S.	Milton	Perpich	Stokowski
Coleman	Kleinbaum	Moe	Peterson	Stumpf
Gearty	Knoll	Nelson	Schaaf	Vega
Hanson	Laufenburger	Nichols	Sikorski	Wegener
Hughes	Lewis	Olhoft	Solon	Willet

Those who voted in the negative were:

Ashbach	Dunn	Keefe, J.	Renneke	Sillers
Bang	Engler	Knutson	Schmitz	Strand
Bernhagen	Frederick	Menning	Schrom	Ueland, A.
Brataas	Gunderson	Pillsbury	Setzpfandt	Ulland, J.
Dieterich	Jensen	Purfeerst	Sieloff	

So the bill passed and its title was agreed to.

H. F. No. 293: A bill for an act relating to waters; authorizing conveyance of a dam easement and empowering the town of Hines in Beltrami county to maintain and operate a dam.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Leesard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	Menning	Purfeerst	Strand
Brataas	Jensen	Merriam	Renneke	Stumpf
Chmielewski	Johnson	Milton	Schaaf	Ueland, A.
Coleman	Keefe, J.	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzpfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoft	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 525: A bill for an act relating to drainage; providing for transfer by county boards of certain surplus ditch funds to another governing body taking over the drainage system; amending Minnesota Statutes 1976, Section 106.471, Subdivision 6.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Laufenburger	Penny	Spear
Bang	Gunderson	Lessard	Perpich	Staples
Benedict	Hanson	Lewis	Peterson	Stokowski
Bernhagen	Hughes	Luther	Pillsbury	Strand
Borden	Humphrey	Menning	Purfeerst	Stumpf
Brataas	Jensen	Merriam	Renneke	Ueland, A.
Chmielewski	Johnson	Milton	Schaaf	Ulland, J.
Coleman	Keefe, J.	Moe	Schmitz	Vega
Davies	Keefe, S.	Nelson	Schrom	Wegener
Dieterich	Kirchner	Nichols	Sieloff	Willet
Dunn	Kleinbaum	Ogdahl	Sikorski	
Engler	Knoll	Olhoft	Sillers	
Frederick	Knutson	Olson	Solon	

Mr. Setzepfandt voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 229: A bill for an act providing for withholding of pay to residents for active service as members of the armed forces; amending Minnesota Statutes 1976, Section 290.92, Subdivisions 1 and 16.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Laufenburger	Olson	Spear
Bang	Gunderson	Lessard	Penny	Staples
Benedict	Hanson	Lewis	Perpich	Stokowski
Bernhagen	Hughes	Luther	Pillsbury	Strand
Borden	Humphrey	McCutcheon	Renneke	Stumpf
Brataas	Jensen	Menning	Schaaf	Ueland, A.
Chmielewski	Johnson	Merriam	Schmitz	Ulland, J.
Coleman	Keefe, J.	Milton	Schrom	Vega
Davies	Keefe, S.	Moe	Setzepfandt	Wegener
Dieterich	Kirchner	Nelson	Sieloff	Willet
Dunn	Kleinbaum	Nichols	Sikorski	
Engler	Knoll	Ogdahl	Sillers	
Frederick	Knutson	Olhoft	Solon	

Messrs. Peterson and Purfeerst voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1005: A bill for an act relating to agriculture; dairy products; grade A pasteurized milk; increasing certification fees; amending Minnesota Statutes 1976, Section 32.394, Subdivisions 8 and 8a.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 10, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Laufenburger	Olson	Solon
Ashbach	Hanson	Lewis	Penny	Spear
Bang	Hughes	Luther	Perpich	Staples
Benedict	Humphrey	McCutcheon	Peterson	Stokowski
Bernhagen	Jensen	Menning	Pillsbury	Strand
Borden	Johnson	Merriam	Purfeerst	Stumpf
Brataas	Keefe, J.	Moe	Schaaf	Ulland, J.
Coleman	Keefe, S.	Nelson	Schmitz	Vega
Davies	Kirchner	Nichols	Setzepfandt	Wegener
Dieterich	Kleinbaum	Ogdahl	Sieloff	Willet
Gearty	Knoll	Olhoft	Sillers	

Those who voted in the negative were:

Chmielewski	Engler	Knutson	Milton	Schrom
Dunn	Frederick	Lessard	Renneke	Ueland, A.

So the bill passed and its title was agreed to.

H. F. No. 888: A bill for an act relating to education; authorizing school boards to appoint a student advisory member.

Mr. Davies moved that H. F. No. 888, No. 42 on the Calendar, be stricken and re-referred to the Committee on Education.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 26 and nays 37, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lessard	Peterson	Wegener
Benedict	Hanson	Menning	Schaaf	Willet
Borden	Hughes	Moe	Schmitz	
Brataas	Jensen	Nelson	Schrom	
Coleman	Keefe, S.	Olhoft	Staples	
Davies	Kleinbaum	Perpich	Stokowski	

Those who voted in the negative were:

Ashbach	Gearty	Lewis	Pillsbury	Strand
Bang	Humphrey	Luther	Purfeerst	Stumpf
Bernhagen	Johnson	Merriam	Renneke	Ueland, A.
Chmielewski	Keefe, J.	Milton	Sieloff	Ulland, J.
Dieterich	Kirchner	Nichols	Sikorski	Vega
Dunn	Knoll	Ogdahl	Sillers	
Engler	Knutson	Olson	Solon	
Frederick	Laufenburger	Penny	Spear	

The motion did not prevail.

H. F. No. 888 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 40 and nays 20, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kleinbaum	Nelson	Sikorski
Bang	Frederick	Knoll	Nichols	Solon
Benedict	Gearty	Knutson	Olson	Spear
Bernhagen	Hanson	Lessard	Penny	Strand
Brataas	Humphrey	Lewis	Pillsbury	Stumpf
Chmielewski	Johnson	Luther	Renneke	Ueland, A.
Dieterich	Keefe, J.	Merriam	Schmitz	Ulland, J.
Dunn	Kirchner	Milton	Sieloff	Vega

Those who voted in the negative were:

Anderson	Gunderson	Menning	Perpich	Schrom
Borden	Jensen	Moe	Peterson	Staples
Coleman	Laufenburger	Ogdahl	Purfeerst	Wegener
Davies	McCutcheon	Olhoff	Schaaf	Willet

So the bill passed and its title was agreed to.

H. F. No. 1038: A bill for an act relating to state lands; authorizing the commissioner of natural resources to convey the interests of the state in certain lands in Houston county.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lewis	Perpich	Spear
Ashbach	Hanson	Luther	Peterson	Staples
Bang	Hughes	McCutcheon	Pillsbury	Stokowski
Benedict	Humphrey	Menning	Purfeerst	Strand
Bernhagen	Jensen	Merriam	Renneke	Stumpf
Brataas	Johnson	Milton	Schaaf	Ueland, A.
Chmielewski	Keefe, J.	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet
Engler	Knutson	Olhoff	Sikorski	
Frederick	Laufenburger	Olson	Sillers	
Gearty	Lessard	Penny	Solon	

So the bill passed and its title was agreed to.

H. F. No. 1172: A bill for an act relating to agriculture; clarifying the commissioner's authority to establish certain produce inspection fees to grade potatoes; prohibiting certain sales of artificially colored potatoes; amending Minnesota Statutes 1976, Sections 27.07; 30.10; 30.20; and Chapter 30, by adding sections; repealing Minnesota Statutes 1976, Sections 30.121; 30.13; 30.14; and 30.478.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olhoft	Sikorski
Ashbach	Gearty	Laufenburger	Olson	Sillers
Bang	Gunderson	Lessard	Penny	Solon
Benedict	Hanson	Lewis	Perpich	Spear
Bernhagen	Hughes	Luther	Peterson	Staples
Borden	Humphrey	McCutcheon	Pillsbury	Stokowski
Brataas	Jensen	Menning	Purfeerst	Strand
Chmielewski	Johnson	Merriam	Renneke	Stumpf
Coleman	Keefe, J.	Milton	Schaaf	Ueland, A.
Davies	Keefe, S.	Moe	Schmitz	Ulland, J.
Dieterich	Kirchner	Nelson	Schrom	Vega
Dunn	Kleinbaum	Nichols	Setzepfandt	Wegener
Engler	Knoll	Ogdahl	Sieloff	Willet

So the bill passed and its title was agreed to.

H. F. No. 326: A bill for an act relating to taxation; Kittson and Marshall counties; providing for the imposition of a tax upon persons, copartnerships, companies, joint stock companies, corporations, and associations however organized engaged therein in the business of removing gravel from gravel pits or deposits of gravel, for enforcing and collecting the same and prescribing penalties for violations thereof.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Luther	Peterson	Staples
Ashbach	Hughes	McCutcheon	Pillsbury	Stokowski
Bang	Humphrey	Menning	Purfeerst	Strand
Benedict	Jensen	Merriam	Renneke	Stumpf
Bernhagen	Johnson	Milton	Schaaf	Ueland, A.
Brataas	Keefe, J.	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoft	Sikorski	
Frederick	Laufenburger	Olson	Sillers	
Gearty	Lessard	Penny	Solon	
Gunderson	Lewis	Perpich	Spear	

Messrs. Chmielewski and Knutson voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 439: A bill for an act relating to agriculture; regulating the use of the name "Minnesota Farmstead Cheese"; amending Minnesota Statutes 1976, Section 28A.08.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lessard	Penny	Solon
Ashbach	Hanson	Lewis	Perpich	Spear
Bang	Hughes	Luther	Peterson	Staples
Benedict	Humphrey	McCutcheon	Pillsbury	Stokowski
Bernhagen	Jensen	Menning	Purfeerst	Strand
Brataas	Johnson	Merriam	Renneke	Stumpf
Chmielewski	Keefe, J.	Milton	Schaaf	Ueland, A.
Davies	Keefe, S.	Moe	Schmitz	Ulland, J.
Dieterich	Kirchner	Nelson	Schrom	Vega
Dunn	Kleinbaum	Nichols	Setzepfandt	Wegener
Engler	Knoll	Ogdahl	Sieloff	Willet
Frederick	Knutson	Olhoft	Sikorski	
Gearty	Laufenburger	Olson	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 920: A bill for an act relating to labor; providing for union notification of a member's injury or death; amending Minnesota Statutes 1976, Chapter 181, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 9, as follows:

Those who voted in the affirmative were:

Anderson	Humphrey	McCutcheon	Peterson	Strand
Benedict	Johnson	Menning	Renneke	Stumpf
Bernhagen	Keefe, J.	Merriam	Schmitz	Ueland, A.
Borden	Keefe, S.	Moe	Setzepfandt	Ulland, J.
Chmielewski	Kirchner	Nelson	Sieloff	Vega
Engler	Kleinbaum	Nichols	Sikorski	Wegener
Frederick	Knoll	Ogdahl	Sillers	Willet
Gearty	Laufenburger	Olhoft	Solon	
Gunderson	Lessard	Olson	Spear	
Hanson	Lewis	Penny	Staples	
Hughes	Luther	Perpich	Stokowski	

Those who voted in the negative were:

Ashbach	Davies	Jensen	Pillsbury	Schrom
Brataas	Dunn	Knutson	Schaaf	

So the bill passed and its title was agreed to.

H. F. No. 1006: A bill for an act relating to agriculture; transferring certain functions relating to county agricultural societies from the state auditor and the commissioner of finance to the commissioner of agriculture; providing for the reimbursement of expenses of the commissioner of agriculture incurred in examining the records and accounts of county agricultural societies and certain other agricultural related societies or associations; amending Minnesota Statutes 1976, Sections 17.07; 38.02, Subdivisions 1, 2 and 3; 38.04; and 38.13.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Penny	Staples
Ashbach	Hanson	Lessard	Perpich	Stokowski
Benedict	Hughes	Lewis	Peterson	Strand
Bernhagen	Humphrey	Luther	Pillsbury	Stumpf
Borden	Jensen	McCutcheon	Renneke	Ueland, A.
Brataas	Johnson	Menning	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Merriam	Setzepfandt	Vega
Davies	Keefe, S.	Nelson	Sieloff	Wegener
Dieterich	Kirchner	Nichols	Sikorski	Willet
Dunn	Kleinbaum	Ogdahl	Sillers	
Engler	Knoll	Olhoff	Solon	
Frederick	Knutson	Olson	Spear	

Messrs. Bang, Gunderson and Schaaf voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 691: A bill for an act relating to state lands; directing the exchange of certain public lands bordering on public waters in Lincoln county.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Perpich	Staples
Ashbach	Gunderson	Lessard	Peterson	Stokowski
Bang	Hanson	Lewis	Pillsbury	Strand
Benedict	Hughes	Luther	Renneke	Stumpf
Bernhagen	Humphrey	McCutcheon	Schaaf	Ueland, A.
Borden	Jensen	Menning	Schmitz	Ulland, J.
Brataas	Johnson	Merriam	Schrom	Vega
Chmielewski	Keefe, J.	Nelson	Setzepfandt	Wegener
Davies	Keefe, S.	Nichols	Sieloff	Willet
Dieterich	Kirchner	Ogdahl	Sikorski	
Dunn	Kleinbaum	Olhoff	Sillers	
Engler	Knoll	Olson	Solon	
Frederick	Knutson	Penny	Spear	

So the bill passed and its title was agreed to.

H. F. No. 337: A bill for an act relating to public utilities; customers service option on electric service in certain instances; amending Minnesota Statutes 1976, Section 216B.40; and Chapter 216.B, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 60 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Olson	Sillers
Ashbach	Gunderson	Lessard	Penny	Solon
Bang	Hanson	Lewis	Perpich	Spear
Benedict	Hughes	Luther	Peterson	Staples
Bernhagen	Humphrey	McCutcheon	Pillsbury	Stokowski
Borden	Jensen	Menning	Purfeerst	Strand
Brataas	Johnson	Merriam	Renneke	Stumpf
Chmielewski	Keefe, J.	Moe	Schaaf	Ueland, A.
Davies	Keefe, S.	Nelson	Schmitz	Ulland, J.
Dieterich	Kleinbaum	Nichols	Setzepfandt	Vega
Engler	Knoll	Ogdahl	Sieloff	Wegener
Frederick	Knutson	Olhoft	Sikorski	Willet

Messrs. Dunn, Kirchner and Schrom voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 777: A bill for an act relating to agriculture; the family farm security program; eliminating first mortgage requirements for seller-sponsored loans; authorizing retention of land by sellers in lieu of payment of loan guarantees; authorizing sharing of excess proceeds from default sale; allowing payment adjustments for certain loans with unequal annual payments; amending Minnesota Statutes 1976, Sections 41.52, Subdivisions 5 and 8; 41.54, Subdivision 2; 41.56, Subdivisions 3 and 4; 41.57, Subdivision 2; and 41.58, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Penny	Spear
Ashbach	Gunderson	Lessard	Perpich	Staples
Bang	Hanson	Lewis	Peterson	Stokowski
Benedict	Hughes	Luther	Pillsbury	Strand
Bernhagen	Humphrey	McCutcheon	Purfeerst	Stumpf
Borden	Jensen	Menning	Renneke	Ueland, A.
Brataas	Johnson	Merriam	Schaaf	Ulland, J.
Chmielewski	Keefe, J.	Moe	Schmitz	Vega
Davies	Keefe, S.	Nelson	Schrom	Wegener
Dieterich	Kirchner	Nichols	Setzepfandt	Willet
Dunn	Kleinbaum	Ogdahl	Sieloff	
Engler	Knoll	Olhoft	Sikorski	
Frederick	Knutson	Olson	Solon	

So the bill passed and its title was agreed to.

H. F. No. 882: A bill for an act relating to commerce; providing for disclosure of mileage traveled by motor vehicles; amending Minnesota Statutes 1976, Sections 168A.04, Subdivision 1; 168A.05, Subdivision 3; 168A.10, Subdivision 1; and 168A.11, Subdivisions 1 and 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Sillers
Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Renneke	Ueland, A.
Chmielewski	Johnson	Merriam	Schaaf	Ulland, J.
Coleman	Keefe, J.	Moe	Schmitz	Vega
Davies	Keefe, S.	Nelson	Schrom	Wegener
Dieterich	Kirchner	Nichols	Setzepfandt	Willet
Dunn	Kleinbaum	Ogdahl	Sieloff	
Engler	Knoll	Olhoft	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 445: A bill for an act relating to natural resources; acquisition, development, and maintenance of recreational sites along designated canoe and boating routes; amending Minnesota Statutes 1976, Section 85.32, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 7, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Olson	Spear
Ashbach	Gearty	Lessard	Penny	Staples
Bang	Gunderson	Lewis	Perpich	Stokowski
Benedict	Hanson	Luther	Peterson	Stumpf
Bernhagen	Hughes	McCutcheon	Pillsbury	Ueland, A.
Borden	Humphrey	Menning	Purfeerst	Ulland, J.
Brataas	Jensen	Merriam	Renneke	Vega
Coleman	Johnson	Moe	Schaaf	Willet
Davies	Keefe, J.	Nelson	Schmitz	
Dieterich	Keefe, S.	Nichols	Sikorski	
Dunn	Kirchner	Ogdahl	Sillers	
Engler	Kleinbaum	Olhoft	Solon	

Those who voted in the negative were:

Chmielewski	Laufenburger	Setzepfandt	Sieloff	Strand
Knutson	Schrom			

So the bill passed and its title was agreed to.

H. F. No. 188: A bill for an act relating to game and fish; defining conviction; increasing the penalty for a conviction related to big game; amending Minnesota Statutes 1976, Sections 97.40, by adding a subdivision; and 98.52, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Penny	Solon
Ashbach	Gunderson	Lessard	Perpich	Spear
Bang	Hanson	Lewis	Peterson	Staples
Benedict	Hughes	Luther	Pillsbury	Stokowski
Bernhagen	Humphrey	McCutcheon	Purfeerst	Strand
Borden	Jensen	Menning	Renneke	Stumpf
Brataas	Johnson	Merriam	Schaaf	Ueland, A.
Chmielewski	Keefe, J.	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoft	Sikorski	
Frederick	Knutson	Olson	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 212: A bill for an act relating to employment fees; providing period when fees must be refunded; amending Minnesota Statutes 1976, Section 184.38, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olhoft	Sikorski
Ashbach	Gearty	Laufenburger	Olson	Sillers
Bang	Gunderson	Lessard	Penny	Solon
Benedict	Hanson	Lewis	Perpich	Spear
Bernhagen	Hughes	Luther	Peterson	Staples
Borden	Humphrey	McCutcheon	Pillsbury	Stokowski
Brataas	Jensen	Menning	Purfeerst	Strand
Chmielewski	Johnson	Merriam	Renneke	Stumpf
Coleman	Keefe, J.	Milton	Schaaf	Ueland, A.
Davies	Keefe, S.	Moe	Schmitz	Ulland, J.
Dieterich	Kirchner	Nelson	Schrom	Vega
Dunn	Kleinbaum	Nichols	Setzepfandt	Wegener
Engler	Knoll	Ogdahl	Sieloff	Willet

So the bill passed and its title was agreed to.

RECONSIDERATION

Mr. Pillsbury moved that the vote whereby H. F. No. 970 failed to pass the Senate on May 9, 1977, be now reconsidered.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 33 and nays 28, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Kirchner	Penny	Sikorski
Borden	Gearty	Laufenburger	Perpich	Solon
Chmielewski	Hanson	Lessard	Peterson	Stokowski
Coleman	Hughes	Merriam	Pillsbury	Strand
Davies	Humphrey	Moe	Renneke	Willet
Dieterich	Keefe, J.	Nelson	Schaaf	
Dunn	Keefe, S.	Nichols	Setzepfandt	

Those who voted in the negative were:

Ashbach	Jensen	Luther	Purfeerst	Stumpf
Bang	Johnson	Menning	Schrom	Ueland, A.
Benedict	Kleinbaum	Milton	Sieloff	Ulland, J.
Bernhagen	Knoll	Ogdahl	Sillers	Wegener
Brataas	Knutson	Olhoft	Spear	
Gunderson	Lewis	Olson	Staples	

The motion prevailed. H. F. No. 970 was then progressed.

MOTIONS AND RESOLUTIONS—CONTINUED

Remaining on the Order of Business of Motions and Resolutions. Mr. Coleman moved to take up the Consent Calendar. The motion prevailed.

CONSENT CALENDAR

H. F. No. 542: A bill for an act relating to the city of Saint Paul; establishing a public housing agency; transferring functions from housing and redevelopment authority.

With the unanimous consent of the Senate, Mr. Stumpf moved to amend H. F. No. 542 as follows:

Amend H. F. No. 542, as amended pursuant to Rule 49, adopted by the Senate May 3, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1384.)

Page 2, line 20, after "rules" insert "not"

The motion prevailed. So the amendment was adopted.

H. F. No. 542 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Perpich	Solon
Ashbach	Gearty	Lessard	Peterson	Spear
Bang	Gunderson	Luther	Pillsbury	Staples
Benedict	Hanson	Menning	Purfeerst	Stokowski
Bernhagen	Hughes	Merriam	Renneke	Strand
Brataas	Jensen	Moe	Schaaf	Stumpf
Chmielewski	Johnson	Nelson	Schrom	Ueland, A.
Coleman	Keefe, J.	Nichols	Setzepfandt	Ulland, J.
Davies	Keefe, S.	Ogdahl	Sieloff	Wegener
Dieterich	Kleinbaum	Olhoft	Sikorski	Willet
Dunn	Knutson	Penny	Sillers	

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

H. F. No. 139: A bill for an act relating to natural resources; revising certain provisions relating to St. Croix Wild River state park.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Perpich	Staples
Ashbach	Gunderson	Lessard	Peterson	Stokowski
Bang	Hanson	Luther	Pillsbury	Strand
Benedict	Hughes	Menning	Purfeerst	Stumpf
Bernhagen	Humphrey	Merriam	Renneke	Ueland, A.
Borden	Jensen	Moe	Schaaf	Ulland, J.
Brataas	Johnson	Nelson	Setzepfandt	Wegener
Chmielewski	Keefe, J.	Nichols	Sieloff	Willet
Davies	Keefe, S.	Ogdahl	Sikorski	
Dieterich	Kleinbaum	Olhoft	Sillers	
Dunn	Knoll	Olson	Solon	
Engler	Knutson	Penny	Spear	

So the bill passed and its title was agreed to.

H. F. No. 937: A bill for an act relating to Ramsey county; deleting obsolete provisions in the Ramsey county code relating to parks and recreation; amending Laws 1974, Chapter 435, Section 1.0205.

Mr. Stumpf moved that H. F. No. 937, No. 4 on the Consent Calendar, be stricken and placed on General Orders. The motion prevailed.

H. F. No. 323: A bill for an act relating to Dakota county; providing that the office of administrative assistant to the sheriff shall be unclassified.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Perpich	Solon
Ashbach	Gunderson	Lessard	Peterson	Spear
Bang	Hanson	Luther	Pillsbury	Staples
Benedict	Hughes	Menning	Purfeerst	Stokowski
Bernhagen	Humphrey	Merriam	Renneke	Strand
Borden	Jensen	Moe	Schaaf	Stumpf
Brataas	Johnson	Nelson	Schmitz	Ueland, A.
Chmielewski	Keefe, S.	Nichols	Schrom	Ulland, J.
Davies	Kirchner	Ogdahl	Setzepfandt	Vega
Dieterich	Kleinbaum	Olhoft	Sieloff	Wegener
Dunn	Knoll	Olson	Sikorski	Willet
Engler	Knutson	Penny	Sillers	

Mr. Keefe, J. voted in the negative.

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. Borden moved to 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 Mr. Gearty reported that the committee had considered the following:

H. F. No. 384, which the committee recommends to pass with the following amendment offered by Mr. Borden:

Page 4, after line 14, insert:

“Sec. 6. Subdivision 1. This section is the exclusive remedy for damages to inmates under the control of the commissioner of corrections who are killed or injured while performing assigned duties in any industry or work activity conducted by the state at or in connection with the maintenance or operation of the state’s correctional institutions, or their families, heirs, assigns, or next of kin.

Subd. 2. Claims for the payment of compensation to those inmates who may be injured or disabled, or to the dependents of inmates killed, while performing assigned duties in any industry or work activity conducted by the state at or in connection with the maintenance or operation of the state’s correctional institutions shall be paid pursuant to legislative appropriation following evaluation of each claim by the appropriate committees of the senate and house of representatives. Compensation will not be paid for pain and suffering.

Subd. 3. The provisions of section 3.736, subdivision 7, shall, to the extent applicable, govern procedures regarding the giving of notice of a claim under this section.”

Renumber the remaining section

Amend the title as follows:

Line 3, before the period, insert “; providing for payment of certain claims of inmates of correctional institutions”

H. F. No. 541, which the committee recommends to pass with the following amendments offered by Mr. Frederick:

Mr. Frederick moved to amend H. F. No. 541, as amended pursuant to Rule 49, adopted by the Senate April 26, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 410.)

Page 2, line 5, strike “where a contrary provision in a”

Page 2, strike line 6 and insert: "to the following:

(a) in cases where a contrary provision in a collective bargaining agreement exists; or

(b) any rules established by an employer for employees who are commissioned salespersons, where the rules are used for purposes of discipline, by fine or otherwise, in cases where errors or omissions in performing their duties exist."

The roll was called, and there were yeas 38 and nays 14, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Keefe, S.	Olhoff	Solon
Ashbach	Engler	Kirchner	Peterson	Stokowski
Bang	Frederick	Kleinbaum	Pillsbury	Strand
Bernhagen	Gearty	Knutson	Renneke	Ueland, A.
Brataas	Hanson	Laufenburger	Schmitz	Ulland, J.
Chmielewski	Hughes	Lessard	Setzepfandt	Wegener
Coleman	Jensen	Menning	Sieloff	
Davies	Keefe, J.	Moe	Sillers	

Those who voted in the negative were:

Benedict	Johnson	Merriam	Perpich	Stumpf
Dieterich	Knoll	Nelson	Spear	Willet
Humphrey	Luther	Penny	Staples	

The motion prevailed. So the amendment was adopted.

Mr. Frederick then moved to amend H. F. No. 541 as follows:

Page 1, line 19, after the period insert "Such authorization shall not be admissible as evidence in any civil or criminal proceeding."

The motion prevailed. So the amendment was adopted.

On motion of Mr. Coleman, 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.

Pursuant to Rule 21, Mr. Moe moved that the following members be excused for a Conference Committee on H. F. No. 1510 at 1:45 p.m.:

Messrs. Moe; Stumpf; Tennessen; Keefe, J. and Ogdahl. The motion prevailed.

CALL OF THE SENATE

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

Anderson	Frederick	Laufenburger	Ogdahl	Spear
Bang	Gearty	Lessard	Olhoff	Staples
Benedict	Gunderson	Lewis	Pillsbury	Stokowski
Bernhagen	Hanson	McCutcheon	Purfeerst	Strand
Borden	Hughes	Menning	Schaaf	Stumpf
Chmielewski	Humphrey	Merriam	Schmitz	Ueland, A.
Coleman	Jensen	Milton	Setzepfandt	Ulland, J.
Dieterich	Keefe, S.	Moe	Sikorski	Vega
Dunn	Kirchner	Nelson	Sillers	Wegener
Engler	Knutson	Nichols	Solon	Willet

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

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. 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 Subcommittee on Bill Scheduling, to which were referred

S. F. Nos. 1457, 1112, 897, 1335, 1465, 1406, 1426, 522, 433, H. F. Nos. 1017, 971, 672, 261, 296, 319, 16, 947, 1275, 823, 1129, 242, 398, 193, 343, 313, 1421, 675 makes the following report:

That S. F. Nos. 1457, 1112, 897, 1335, 1465, 1406, 1426, 433, 522, H. F. Nos. 1017, 971, 672, 261, 296, 319, 16, 947, 1275, 823, 1129, 242, 398, 193, 343, 313, 1421, 675 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the subcommittee on which floor action was requested. Report adopted.

APPOINTMENTS

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

S. F. No. 1467, pursuant to the request of the Senate:

Messrs. Humphrey, Borden, Willet, Solon, and Dunn.

S. F. No. 1489, pursuant to the request of the Senate:

Messrs. Kleinbaum, Purfeerst, Stumpf, Ogdahl, and Ashbach.

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. McCutcheon moved that H. F. No. 1475 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mr. McCutcheon 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. 1475 and that the rules of the Senate be so far suspended as to give H. F. No. 1475 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 1475 was read the second time.

H. F. No. 1475: A bill for an act relating to taxation; providing changes in classification ratios and assessment procedures; increasing local government aids and certain tax credits; altering levy limits; imposing a minimum tax on certain types of income; establishing tax study committee; increasing the tax on taconite production and providing for the distribution of its proceeds; establishing a taconite area environmental protection and economic development fund and council; establishing a Northeast Minnesota economic protection fund; imposing a tailings tax; increasing the tax on unmined taconite; requiring owners and lessees of mineral rights to file exploration data with the commissioner of revenue; providing penalties; appropriating money; amending Minnesota Statutes 1976, Sections 124.212, Subdivisions 10 and 11; 273.11, Subdivisions 1 and 2; 273.12; 273.13, Subdivisions 6, 7 and 14a; 273.132; 273.134; 274.01, Subdivision 1; 275.50, Subdivision 5; 275.51, by adding a subdivision; 275.52, Subdivisions 2, 3 and 4; 275.53, Subdivisions 1 and 3; 278.01; 278.05; 287.241, Subdivision 2; 290.012, Subdivision 2; 290.09, Subdivision 4; 290A.03, Subdivisions 3, 11 and 13; 290A.04, Subdivision 2, and by adding a subdivision; 294.26; 298.03; 298.22, Subdivision 1; 298.24, Subdivisions 1 and 2; 298.244, Subdivision 2; 298.25; 298.26; 298.27; 298.28, Subdivision 1; 298.282, Subdivisions 1 and 2; 375.192, by adding a subdivision; 477A.01, Subdivisions 1, 2, 4, 4a, 4b, and by adding a subdivision; 477A.03; and Chapters 3, 272, 287, 290, 298 and 477A, by adding sections; repealing Minnesota Statutes 1976, Sections 275.51, Subdivisions 3b and 3c; 287.241, Subdivisions 3 and 4; 290.09, Subdivision 26; 294.27; 294.28; 298.241; 298.243; 298.244, Subdivision 1; 298.28, Subdivision 1a; 298.281; Extra Session Laws 1971, Chapter 31, Article XIII; Laws 1973, Chapter 601; Laws 1975, Chapter 437, Article VII; and Laws 1976, Chapter 149, Section 58.

Mr. McCutcheon moved to amend H. F. No. 1475 as follows:

Strike everything after the enacting clause and insert the contents of S. F. No. 1457 as amended by the report from the Committee on Taxes and Tax Laws adopted by the Senate May 5, 1977.

The motion prevailed. So the amendment was adopted.

Mr. Peterson moved to amend H. F. No. 1475, as amended by the Senate May 9, 1977, as follows:

Page 21, after line 20, insert:

"Sec. 8. Minnesota Statutes 1976, Section 290.08, Subdivision 6, is amended to read:

Subd. 6. [PENSIONS, BENEFITS, AND ALLOWANCES FROM STATE AND UNITED STATES.] Amounts, including interest, *not in excess of \$5,000* received by any person from the United States or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer fireman's relief association, either as a refund of contributions to, or by way of payment as a pension, public employee retirement benefit, ~~unemployment compensation benefit, social security benefit or railroad retirement or unemployment compensation benefit, family allotment or other similar allowance or any combination thereof;~~ *provided that the exclusion permitted by this subdivision shall be reduced by social security or railroad retirement benefits received during the taxable year.*"

Page 28, line 30, strike "290.08, Subdivision 6;"

Renumber the remaining sections

Amend the title as follows:

Page 2, line 9, after "3d;" insert "290.08, Subdivision 6;"

Page 2, lines 26 and 27, strike "290.08, Subdivision 6;"

Mr. Sieloff moved a substitute amendment to H. F. No. 1475, as amended by the Senate May 9, 1977, as follows:

Page 7, line 11, reinstate the stricken semicolon and insert "and"

Page 7, lines 12 to 14, reinstate the stricken language except "; and"

Page 28, line 30, delete "290.08, Subdivision 6;"

Further, amend the title as follows:

Page 1, line 5, delete "including amounts of certain"

Page 1, delete line 6

Page 1, line 7, delete "in gross income;"

Page 2, line 26, delete "290.08,"

Page 2, line 27, delete "Subdivision 6;"

The question was taken on the adoption of the substitute amendment.

The roll was called, there were yeas 18 and nays 38, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Keefe, J.	Ogdahl	Ueland, A.
Bang	Engler	Kirchner	Renneke	Ulland, J.
Bernhagen	Frederick	Knoll	Sieloff	
Brataas	Jensen	Knutson	Sillers	

Those who voted in the negative were:

Anderson	Gunderson	Luther	Perpich	Staples
Benedict	Hanson	McCutcheon	Peterson	Stokowski
Borden	Humphrey	Menning	Schaaf	Strand
Chmielewski	Johnson	Moe	Schmitz	Stumpf
Coleman	Keefe, S.	Nelson	Schrom	Tennessee
Davies	Kleinbaum	Olhoft	Setzepfandt	Vega
Dieterich	Laufenburger	Olson	Solon	Willet
Gearty	Lessard	Penny	Spear	

The motion did not prevail. So the substitute amendment was not adopted.

The question recurred on the Peterson amendment.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lessard	Penny	Spear
Ashbach	Hanson	Lewis	Perpich	Staples
Bang	Humphrey	Luther	Peterson	Stokowski
Benedict	Jensen	McCutcheon	Pillsbury	Strand
Bernhagen	Johnson	Menning	Purfeerst	Stumpf
Borden	Keefe, J.	Milton	Renneke	Tennessee
Brataas	Keefe, S.	Moe	Schaaf	Ueland, A.
Davies	Kirchner	Nelson	Schmitz	Ulland, J.
Dunn	Kleinbaum	Nichols	Schrom	Vega
Engler	Knoll	Ogdahl	Setzepfandt	Wegener
Frederick	Knutson	Olhoft	Sieloff	Willet
Gearty	Laufenburger	Olson	Sillers	

The motion prevailed. So the amendment was adopted.

Mr. McCutcheon moved to amend H. F. No. 1475, as amended by the Senate May 9, 1977, as follows:

Page 7, lines 19 to 25, restore the stricken language

Page 28, line 30, strike “; 290.09, Subdivision 24”

Amend the title as follows:

Page 2, line 25, strike “Subdivisions 24 and” and insert “Sub-division”

The motion prevailed. So the amendment was adopted.

Mr. McCutcheon then moved to amend H. F. No. 1475, as amended by the Senate May 9, 1977, as follows:

Page 21, line 26, after “Minnesota” insert “and the gross income of resident estates and trusts”

Page 21, strike lines 28 to 32

Page 22, strike line 1

Page 29, line 1, after the period insert “Section 11 is effective for taxable years beginning after December 31, 1976.”

Page 43, line 16, strike “11” and insert “18”

Page 45, after line 29, insert:

“Sec. 5. Minnesota Statutes 1976, Section 477A.01, Subdivision 4a, is amended to read:

Subd. 4a. If the amount distributed to a city or town pursuant to subdivision 4 is less than the aids the city or town received in

1975 1977, before corrections for prior year aid payments, pursuant to Minnesota Statutes 1974, Section 477A.01, the amount distributed to it shall be raised to the amount the city or town received in 1975, before corrections for prior year aid payments, and the distributions to the other cities and towns within the county's territory shall be proportionately reduced as necessary to supply the difference."

Renumber the sections in sequence

Page 46, line 25, strike "5" and insert "6"

Page 46, line 27, strike "6" and insert "7"

Page 47, line 16, strike the language after "\$15,000"

Page 47, strike line 17

Page 47, line 18, strike "*amended through December 31, 1976*"

Page 59, line 3, strike the period and insert a semicolon

Page 59, after line 3, insert

"(t) pay amounts required by law to be paid to reduce unfunded accrued liability of public pension funds, including interest thereon, in accordance with the actuarial standards and guidelines specified in sections 69.71 to 69.776 and 356.215 reduced for levy year 1977 and subsequent years by the amount levied for that purpose in 1976, payable in 1977 and, in 1978 and subsequent levy years, by an additional five percent of the amount so levied in 1977."

Page 64, line 4, strike "30" and insert "31"

Page 64, line 6, strike "27" and insert "29"

Page 67, line 17, strike "30" and insert "31"

Page 67, line 18, strike "27" and insert "29"

Amend the title as follows:

Page 2, line 19, after "4" insert ", 4a"

The motion prevailed. So the amendment was adopted.

Mr. McCutcheon then moved to amend H. F. No. 1475, as amended by the Senate May 9, 1977, as follows:

Page 10, line 17, strike "\$34" and insert "\$30"

Page 10, line 20, strike "\$68" and insert "\$60"

Page 10, line 23, strike "\$34" and insert "\$30"

Page 11, line 3, strike "\$34" and insert "\$30"

Page 11, line 6, strike "\$34" and insert "\$30"

Page 11, line 8, strike "\$34" and insert "\$30"

Page 11, line 10, strike "\$34" and insert "\$30"

Page 11, line 24, strike "\$34" and insert "\$30"

Page 11, line 27, strike "\$34" and insert "\$30"

Page 11, line 31, strike "\$34" and insert "\$30"

The motion prevailed. So the amendment was adopted.

CALL OF THE SENATE

Mr. Ulland, J. imposed a call of the Senate for the balance of the proceedings on H. F. No. 1475. The following Senators answered to their names:

Ashbach	Frederick	Knutson	Purfeerst	Strand
Benedict	Gearty	Lessard	Renneke	Stumpf
Bernhagen	Hanson	Lewis	Schaaf	Tennessee
Borden	Hughes	Luther	Schmitz	Ueland, A.
Chmielewski	Humphrey	McCutcheon	Sieloff	Ulland, J.
Davies	Jensen	Menning	Sikorski	Vega
Dieterich	Johnson	Nelson	Sillers	Willet
Dunn	Keefe, S.	Olhoft	Spear	
Engler	Knoll	Peterson	Staples	

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

Mr. Ulland, J. moved to amend H. F. No. 1475, as amended by the Senate, May 9, 1977, as follows:

Page 80, after line 9 insert:

" (x) The gross receipts from the sale after July 31, 1978 of fuel used to heat residences including fuel oil, propane gas, L.P. gas, natural gas, wood, coal, electricity, steam heat and water used for heating. "

Further, amend the title as follows:

Page 1, line 31, after "newsprint" insert "and residential heating fuels"

The question was taken on the adoption of the amendment.

Mr. McCutchen moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 16 and nays 31, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Keefe, J.	Pillsbury	Sillers
Bernhagen	Frederick	Kirchner	Renneke	Ueland, A.
Brataas	Jensen	Knutson	Sieloff	Ulland, J.
Dunn				

Those who voted in the negative were:

Anderson	Hughes	McCutcheon	Purfeerst	Stumpf
Borden	Humphrey	Menning	Schaaf	Tennessee
Davies	Johnson	Nelson	Schmitz	Vega
Dieterich	Keefe, S.	Olhoft	Spear	
Gearty	Knoll	Olson	Staples	
Gunderson	Lewis	Perpich	Stokowski	
Hanson	Luther	Peterson	Strand	

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

Mr. Sieloff moved to amend H. F. No. 1475, as amended by the Senate May 9, 1977, as follows:

Pages 29 to 43, strike all of Article II and insert:

ARTICLE II

Section 1. Minnesota Statutes 1976, Section 273.13, Subdivision 6, is amended to read:

Subd. 6. [CLASS 3B.] Agricultural land, except as provided by class 1 hereof, and which is used for the purposes of a homestead, shall constitute class 3b and shall be valued and assessed at 20 percent of the market value thereof. The property tax to be paid on class 3b property as otherwise determined by law not exceeding 120 acres less any reduction received pursuant to section 273.135, regardless of whether or not the market value is in excess of the homestead base value, for all purposes except the payment of principal and interest on non-school district bonded indebtedness, shall be reduced by 46 65 percent of the tax; provided that the amount of said reduction shall not exceed ~~\$325~~ \$500, or, in the case of property described in this subdivision owned by a disabled person or a person who has attained the age of 65 years, as described in article II, section 7, \$800. Valuation subject to relief shall be limited to 120 acres of land, most contiguous surrounding, or bordering the house occupied by the owner as his dwelling place, and, such other structures as may be included thereon utilized by the owner in an agricultural pursuit. If the market value is in excess of the homestead base value, the amount in excess of that sum shall be valued and assessed as provided for by class 3. The first \$12,000 market value of each tract of real estate which is rural in character and devoted or adaptable to rural but not necessarily agricultural use, used for the purpose of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law.

Agricultural land as used herein, and in section 124.03, shall mean contiguous acreage of ten acres or more, primarily used during the preceding year for agricultural purposes. Agricultural use may include pasture, timber, waste, unusable wild land and land included in federal farm programs.

Real estate of less than ten acres used principally for raising poultry, livestock, fruit, vegetables or other agricultural products, shall be considered as agricultural land, if it is not used primarily for residential purposes.

Sec. 2. Minnesota Statutes 1976, Section 273.13, Subdivision 7, is amended to read:

Subd. 7. [CLASS 3C, 3CC.] All other real estate and class 2a property, except as provided by classes 1 and 3cc, which is used for the purposes of a homestead, shall constitute class 3c, and shall be valued and assessed at 25 percent of the market value thereof. The property tax to be paid on class 3c property as other-

wise determined by law, less any reduction received pursuant to section 273.135, regardless of whether or not the market value is in excess of the homestead base value, for all purposes except the payment of principal or interest on non-school district bonded indebtedness, shall be reduced by 45 65 percent of the amount of such tax; provided that the amount of said reduction shall not exceed \$325 \$500, or, in the case of property described in this subdivision owned by a disabled person or a person who has attained the age of 65 years, as described in article II, section 7, \$800 . If the market value is in excess of the sum of the homestead base value, the amount in excess of that sum shall be valued and assessed at 40 percent of market value. The first \$12,000 market value of each tract of such real estate used for the purposes of a homestead shall be exempt from taxation for state purposes, except as specifically provided otherwise by law. All real estate which is used for the purposes of a homestead by any blind person, if such blind person is the owner thereof or if such blind person and his or her spouse are the sole owners thereof; or by any person (hereinafter referred to as veteran) who served in the active military or naval service of the United States and who is entitled to compensation under the laws and regulations of the United States for permanent and total service-connected disability due to the loss, or loss of use, by reason of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude motion without the aid of braces, crutches, canes, or a wheel chair, and who with assistance by the administration of veterans affairs has acquired a special housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability; or by any person who is permanently and totally disabled and who is receiving aid from any state as a result of that disability, or who is receiving supplemental security income for the disabled, or who is receiving worker's compensation based on a finding of total and permanent disability, or who is receiving social security disability, or who is receiving aid under the federal railroad retirement act of 1937, 45 United States Code Annotated, Section 228b(a)5 which aid is at least 90 percent of the total income of such disabled person from all sources, shall constitute class 3cc and shall be valued and assessed at five percent of the market value thereof. Permanently and totally disabled for the purpose of this subdivision means a condition which is permanent in nature and totally incapacitates the person from working at an occupation which brings him an income. The property tax to be paid on class 3cc property as otherwise determined by law, less any reduction received pursuant to section 273.135, regardless of whether or not the market value is in excess of the homestead base value, for all purposes except the payment of principal or interest on non-school district bonded indebtedness, shall be reduced by 45 65 percent of the amount of such tax; provided that the amount of said reduction shall not exceed \$325 \$500, or, in the case of property described in this subdivision owned by a disabled person or a person who has attained the age of 65 years, as described in article II, section 7, \$800 . If the market value is in excess of the sum of \$24,000, the amount in excess of that sum

shall be valued and assessed at 33 $\frac{1}{3}$ percent in the case of agricultural land used for a homestead and 40 percent in the case of all other real estate used for a homestead.

Sec. 3. Minnesota Statutes 1976, Section 273.13, Subdivision 14a, is amended to read:

Subd. 14a. [BUILDINGS AND APPURTENANCES ON LAND NOT OWNED BY OCCUPANT.] The property tax to be paid in respect of the value of all buildings and appurtenances thereto owned and used by the occupant as a permanent residence, which are located upon land subject to property taxes and the title to which is vested in a person or entity other than the occupant, for all purposes except the payment of principal and interest on bonded indebtedness, shall be reduced by 45 65 percent of the amount of the tax in respect of said value as otherwise determined by law, but not by more than \$325 \$500, or, in the case of property described in this subdivision owned by a disabled person or a person who has attained the age of 65 years, as described in article II, section 7, \$800 .

Sec. 4. Minnesota Statutes 1976, Section 275.07, is amended to read:

275.07 [CITY, TOWN, COUNTY, SCHOOL DISTRICT AND SPECIAL DISTRICT TAXES.] The taxes voted by cities, towns, and school districts shall be certified by the proper authorities to the county auditor on or before October tenth in each year. *If a city, town, county, school district or special district fails to certify its levy by that date, its levy shall be the amount levied by it for the preceding year. If the local unit notifies the commissioner of revenue before October tenth of its inability to certify its levy by that date, and the commissioner is satisfied that the delay is unavoidable and is not due to the negligence of the local unit's officials or staff, the commissioner shall extend the time within which the local unit shall certify its levy.*

Sec. 5. Minnesota Statutes 1976, Section 276.01, is amended to read:

276.01 [DELIVERY OF LISTS TO TREASURER.] On or before the first Monday in January in December 15 each year, the county auditor shall deliver the lists of the several districts of the county to the county treasurer, taking therefor his receipt, showing the total amount of taxes due upon the lists and showing, for qualified property, as defined in section 273.011, for which the credit provided for in section 273.012 is claimed, the base tax, as defined in section 273.011. Where the names of taxpayers appear in the property tax lists, the county auditor shall show the addresses of such taxpayers. Such lists shall be authority for the treasurer to receive and collect taxes therein levied.

In counties in which the auditor has elected to come under the provisions of section 273.03, subdivision 2, he shall, during the year in which such lists as provided for in section 275.28, subdivision 3, are in the possession of the county treasurer, have

access thereto for the purposes of changing true and full valuations and the classifications of real estate contained therein which he would have been required to change or otherwise amend in the assessment books provided for in section 273.03, subdivision 1, except for his election to discontinue the preparation of such assessment books. The county auditor shall be the official custodian of such lists after the year during which they are in the county treasurer's possession.

Sec. 6. Minnesota Statutes 1976, Section 276.04, is amended to read:

276.04 [NOTICE OF RATES; PROPERTY TAX STATEMENTS.] On receiving the tax lists from the county auditor, the county treasurer shall, if directed by the county board, give three weeks' published notice in a newspaper specifying the rates of taxation for all general purposes and the amounts raised for each specific purpose. He shall, whether or not directed by the county board, cause to be printed on all tax statements, or on an attachment, a tabulated statement of the dollar amount due to each taxing authority and the amount to be paid to the state of Minnesota from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the state, county, township or municipality and school district shall be separately stated but the amounts due other taxing districts, if any, may be aggregated. The 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 *January 31* ; 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. ~~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 273.132 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.~~ *The county treasurer shall separately show the "state paid basic homestead credit" and the "state paid supplementary homestead credit" as defined in article II, section 7. 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 agent, to enable him to comply with article II, section 7 and to retain one copy for his records. The property tax statement shall be in a form prescribed by the*

commissioner of revenue and shall state that if the owner or owners of the property and their spouses have a combined federal adjusted gross income in excess of \$15,000 in the year the property tax is payable they may be subject to pay all or part of the state paid supplementary homestead credit back to the state with their income tax return due in that year. 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 1976, Chapter 290, is amended by adding a section to read:

[290.976] [STATE PAID SUPPLEMENTAL HOMESTEAD RECAPTURE.] *Subdivision 1. For purposes of this section, unless the context indicates a different meaning, the following terms shall have the meanings given them:*

(a) "State paid basic homestead credit" means the amount by which property tax is reduced by applying 45 percent to such tax pursuant to section 273.13, subdivisions 6, 7 and 14 (a), but not in excess of \$325.

(b) "State paid supplemental homestead credit" means the amount by which property tax is reduced by applying 50 percent to such tax pursuant to section 273.13, subdivisions 6, 7 and 14 (a), subject to the maximum dollar limitations contained in those subdivisions, less the amount of the state paid basic homestead credit.

(c) "Disabled person" means a person who has been certified as disabled by the social security administration under Title II or Title XVI of the federal social security act prior to June 1 of the year in which the property tax is payable, or a person who has a disability prior to June 1, of the year in which the property taxes are payable.

(d) "Disability" has the meaning given in section 290A.03, subdivision 10.

(e) "Person who has attained the age of 65 years" means a person who is or will be 65 or more years old on June 1 of the year the property taxes are payable.

(f) In the case of a married couple, property shall be deemed to be owned by the disabled person or person who has attained the age of 65 years, regardless of whether the property is actually owned by the other spouse or jointly owned.

(g) "Federal adjusted gross income" means a person's federal adjusted gross income for the year immediately preceding the year in which the property tax is payable. In the case of a married person, federal adjusted gross income means the combined federal adjusted gross income of the person and his spouse who for any part of the preceding year resided on the property. In the case of property in which not all of the interests are owned by one person and his spouse, federal adjusted gross income means the combined

federal adjusted gross income of all persons who have a present and possessory interest in the property on January 2 of the year in which the property tax is payable and who for any part of the preceding year resided on the property.

(h) "Property" means property with respect to which a state paid supplemental homestead credit has reduced the property tax.

(i) "Person" means an individual who owns or has an ownership interest in property.

Subd. 2. A tax is hereby imposed on a person for whom real estate tax on property he owns has been reduced by the state paid supplemental homestead credit. The tax shall be computed pursuant to subdivision 3. The tax shall be a personal liability and shall be due and payable in the same manner and at the same time as the tax imposed by section 290.03. The tax shall be paid in the year in which the person's real estate tax on property subject to this subdivision is payable. The tax shall be collected in the same manner as the tax imposed by section 290.03, and insofar as is applicable all procedures for the determination, assessment, collection and imposition, including the imposition of penalties and interest, with respect to the tax imposed by section 290.03 shall apply to the tax imposed by this subdivision. The failure to pay the tax imposed by this subdivision shall not constitute a delinquent property tax.

Subd. 3. For persons whose federal adjusted gross income does not exceed \$15,000, the tax imposed by this section shall be zero. For persons whose federal adjusted gross income exceeds \$15,000, the tax imposed by this section shall be an amount determined by multiplying the state paid supplemental homestead credit which has been applied to reduce the property tax payable by five percent for each \$1,000 or portion thereof by which such person's federal adjusted gross income exceeds \$15,000.

Subd. 4. Each person for whom property tax on property he owns has been reduced by the state paid supplemental homestead credit shall be liable for the tax imposed by this section. In the case of property owned by two or more persons, payment of the full tax imposed by this section, including interest and penalties, if any, shall discharge the liability of all owners. The tax imposed by this section may be entirely paid by any person who owns the property or it may be paid by all owners of the property in the same percentage that each such owner's ownership interest in the property bears to the entire property interest.

Subd. 5. The state paid supplemental homestead credit shall be determined pursuant to this subdivision for disabled persons and persons who have attained the age of 65 years.

(a) *A person who has attained the age of 65 years and a person who is disabled on the date he is required to file his homestead declaration shall present in duplicate to the county treasurer on forms prescribed by the commissioner, together with his homestead declaration, a signed application, under penalty of perjury, to receive the additional amount of state paid supplemental homestead*

credit to which he is eligible. The petition shall set forth such facts as may be prescribed by the commissioner. The county treasurer may request a certified copy of such person's certificate of birth.

(b) The county treasurer shall forward one copy of each petition to the commissioner.

(c) The county treasurer may deny application when it appears that the person does not qualify for the additional supplemental credit. In the alternative, the county treasurer may hold the petition in abeyance and refer the matter to the commissioner for his determination. Any determination of the county treasurer denying a petition shall be appealable to the commissioner within 30 days of the date of the notice of such denial. The county treasurer shall promptly notify the person making the petition of such denial by certified mail setting forth the person's right of appeal. The commissioner shall within 90 days of receipt of an application referred to him by a county treasurer or an appeal of the county treasurer's order make an order granting or denying the petition. The commissioner's order shall be appealable in the same manner as any order of the commissioner assessing a tax.

(d) A person who has attained the age of 65 years or a person who is disabled shall be required to petition the county treasurer only for the first year to which the additional state paid supplemental homestead credit shall be payable except as provided in this paragraph. Each year thereafter on such person's homestead declaration he shall certify that he continues to be disabled and that there has been no change in ownership of the property. If there is a change in the ownership of the property or if there has been a change in a person's degree of disability to the extent that he may not continue to be disabled under this section, such person shall file a new petition with the homestead declaration that must be filed in the year next succeeding such change or changes, which shall be treated in the same manner as an original petition.

Subd. 6. If a person has received a state paid supplemental homestead credit in an amount in excess of that to which he is entitled, whether such excess credit is due to such person not qualifying as disabled or not having attained the age of 65 years or for any other reason, the commissioner shall assess as a tax under subdivision 2 the amount of such excess. Such assessment shall be attributed to the years in which the excess credit was allowed. In no case shall the county treasurer seek to obtain a refund of an excess credit for any person, and the commissioner shall not seek a refund of such excess credit from the county.

Subd. 7. The commissioner shall not assess a tax imposed by this section after the statute of limitations has run on a person's income tax return for the year in which the homestead credit is payable.

Subd. 8. The commissioner may make rules to accomplish the purpose of this section which are consistent with this section. The commissioner may establish reasonable and appropriate guidelines for county treasurers in the determination or referral to him of pe-

titions filed by persons who are disabled or who have attained the age of 65 years.

Subd. 9. The commissioner may require the examination and certification of a person who is allegedly disabled by a physician of the person's choosing or by a physician designated by the commissioner. The cost of the examination shall be borne by the person examined, unless the examination proves the disability, in which case the cost of examination shall be borne by the commissioner.

Subd. 10. A petition filed pursuant to this section shall be treated as confidential by the county treasurer and the commissioner, and the provisions of section 290.61 relating to publicity of returns shall apply.

Subd. 11. A person who prepares, causes to be prepared or assists in the preparation of a petition with the intent to defraud and to receive a credit in excess of that to which he or the applicant is entitled is guilty of a misdemeanor.

Subd. 12. A person who is disabled or has attained the age of 65 years who has failed to petition with his homestead declaration for the additional amount of credit to which he is entitled pursuant to this section may file such petition upon a showing of reasonable cause on or before June 1 of the year in which he is required to file such petition without penalty.

Subd. 13. Section 273.13, subdivision 16 shall apply with respect to a disabled person or person who has attained the age of 65 years who has purchased property prior to June 1 of the year the property taxes are payable. Such a person shall be entitled to the additional credit allowed by this section for one-half the property tax payable.

Sec. 8. [290B.01] [CITATION.] Sections 8 to 25 may be cited as the "Minnesota Income-Adjusted Rent Credit Act".

Sec. 9. [290B.02] [PURPOSE.] The purpose of sections 8 to 25 is to provide relief to renters who pay real estate tax as a part of their rent.

Sec. 10. [290B.03] [DEFINITIONS.] Subdivision 1. The following words, terms, and phrases when used in sections 8 to 25 shall have the meaning ascribed to them in this section, except where the context indicates a different meaning.

Subd. 2. "Commissioner" means the commissioner of revenue of the state of Minnesota.

Subd. 3. "Federal adjusted gross income" means the claimant's federal adjusted gross income for the year during which he paid the rent which is the basis for the rent credit claim. In the case of married persons, federal adjusted gross income means the combined federal adjusted gross income of the claimant and his spouse who for any part of such year resided in the rental unit upon which the rent credit is claimed.

Subd. 4. "Rental unit" means a dwelling rented and occupied by a claimant as a place of residence and so much of the land sur-

rounding it, not to exceed one acre, as is reasonably necessary for the use of the dwelling as a residence. A rental unit may be part of a multi-dwelling or multi-purpose building and the land upon which it is built.

Subd. 5. "Claimant" means a person who filed a claim authorized by sections 8 to 25. A 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 subdivision 9, 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 11 per month of residency computed to the nearest full month.

Subd. 6. If a rental unit is occupied by two or more renters other than renters who are husband or wife the rent shall be deemed to be paid in the same proportion that each paid such rent. In the case of renters who are husband and wife and reside in the same rental unit the rent shall be deemed to be paid by either spouse, and either spouse may claim the entire credit. Only one spouse may claim the credit. If the spouses cannot agree as to who is entitled to claim the credit, upon application by a spouse the commissioner shall decide and his decision shall be final.

Subd. 7. "Disabled claimant" means a claimant who has a disability on or before June 1 of the year in which the credit is claimed.

Subd. 8. "Disability" means:

(a) Inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months, or

(b) Blindness; and the term "blindness" means central acuity of 20/200 or less in the better eye with the use of a correcting lens. An eye which 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 shall be considered as having a central visual acuity of 20/200 or less.

(c) An individual shall be determined to be under a disability only if his physical or mental impairment or impairments are of such severity that he is not only unable to do his previous work but cannot, considering his age, education, and work experience, engage in any other kind of substantial gainful work which exists in the state economy, regardless of whether the work exists in the immediate area in which he lives, or whether a specific job vacancy

exists for him, or whether he would be hired if he applied for work. For purposes of the preceding sentence, "work which exists in the state economy" means work which exists in significant numbers either in the area where the individual lives or in several areas of the state.

(d) A "physical or mental impairment" is an impairment that results from anatomical, physiological, or psychological abnormalities which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques.

Subd. 9. "Claimant who has attained the age of 65 years" means a person who has attained the of 65 years on or before June 1 of the year in which the rent credit is claimed.

Subd. 10. "Rent constituting property taxes" means 20 percent of the gross rent actually paid in cash, or its equivalent, in 1977 or any subsequent calendar year by a claimant solely for the right of occupancy of his Minnesota homestead in the calendar year, and which rent constitutes the basis, in the succeeding calendar year of a claim for relief under sections 8 to 25 by the claimant.

Subd. 11. "Gross rent" means rental paid solely for the right of occupancy, at arms-length, of a rental unit, exclusive of charges for any utilities, services, furniture, or furnishings furnished by the landlord as a part of the rental agreement, whether expressly set out in the rental agreement or not. If the landlord and tenant have not dealt with each other at arms-length and the commissioner determines that the gross rent charged was excessive, he may adjust the gross rent to a reasonable amount for purposes of sections 8 to 25. For homesteads which are mobile homes as defined in section 168.011, subdivision 8, gross rent includes rent paid for the site upon which the mobile home is located.

If the landlord does not supply the charges for any utilities, furniture, or furnishings furnished by him, or if the charges appear to be incorrect the commissioner may apply a percentage determined from samples of similar gross rents paid solely for the right of occupancy.

An 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 sections 8 to 25.

Sec. 11. [290B.04] [RENT CREDIT ALLOWABLE.] Subdivision 1. The rent credit allowable under sections 8 to 25 shall be the amount of rent constituting property taxes except that the credit shall not exceed:

(a) \$800 in the case of a disabled claimant or a claimant who has attained the age of 65 years or

(b) \$500 in all other cases, reduced by the amount set forth in subdivision 2 and subject to the overall limits in subdivision 3.

Subd. 2. The credit allowed in subdivision 1 to a claimant shall be reduced by an amount equal to five percent for each \$1,000 by which federal adjusted gross income exceeds \$15,000, but shall not be reduced below \$120.

Subd. 3. Other law to the contrary notwithstanding, the maximum credit allowed under sections 8 to 25, when added to any credit available under section 7 during any year, shall not exceed \$800 in the case of a disabled claimant or a claimant who has attained the age of 65 and \$500 in all other cases.

Sec. 12. [290B.05] [LEASES AND SUBLEASES.] *If a claimant rents, leases or subleases a part of his rental unit to another person, he shall reduce the amount of the gross rent he pays by the gross rent he receives from such rental, lease or sublease in computing his own gross rent for purposes of sections 8 to 25.*

Sec. 13. [290B.06] [FILING TIME LIMIT; LATE FILING.] *All claims shall be filed with the department of revenue on or before August 31 of the year immediately succeeding the year the rent constituting the basis for the claim was paid. 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. 14. [290B.07] [TIME FOR PAYMENT.] *Subdivision 1. Allowable claims filed pursuant to the provisions of sections 8 to 25 shall be paid by the commissioner from the general fund.*

Subd. 2. A claimant 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.

Subd. 3. Claims remaining unpaid 60 days after the dates provided in subdivision 2, shall have interest added at six percent per annum from the later date until the date the claim is paid.

Sec. 15. [290B.08] [PROOF OF CLAIM.] *Every claimant shall supply to the department of revenue, in support of his claim, proof of eligibility under sections 8 to 25, including but not limited to amount of rent paid, name and address of owner or managing agent of property rented, changes in homestead, household membership, federal adjusted gross income, size and nature of property claimed as a rental unit.*

Disabled persons filing claims shall submit proof of disability in the form and manner as the department may prescribe. The department may require examination and certification by the claimant's physician or by a physician designated by the department. The cost of any examination shall be borne by the claimant, unless the examination proves the disability, in which case the cost of the examination shall be borne by the department.

A determination of disability of a claimant by the social security administration under Title II or Title XVI of the Social Security Act shall constitute presumptive proof of disability.

Sec. 16. [290B.09] [OBJECTIONS TO CLAIMS.] *Subdivision 1. [AUDIT OF CLAIM.] When on the audit of any claim filed under sections 8 to 25 the department determines the amount thereof to have been incorrectly determined, the department shall redetermine the claim and notify the claimant of the redetermination and the reasons therefor. The redetermination shall be final unless appealed to the Minnesota tax court of appeals within 30 day of notice thereof.*

Subd. 2. [FRAUDULENT CLAIM; PENALTY.] In any case in which it is determined that the claim is or was excessive and was filed with fraudulent intent, the claim shall be disallowed in full. If the claim has been paid, the amount disallowed shall be recovered by assessment and collection in the manner provided in chapter 290 for collection of income tax. The assessment shall bear interest from the date the claim is paid by the state until the date of repayment by the claimant, at the rate of six percent per annum. The claimant, and any person who assisted in the preparation of filing of the excessive claim or supplied information upon which the excessive claim was prepared, with fraudulent intent, is guilty of a misdemeanor.

Subd. 3. [EXCESSIVE OR NEGLIGENT CLAIM.] If it is determined that a claim is excessive and was negligently prepared, ten percent of the corrected claim shall be disallowed. If the claim has been paid, the amount erroneously paid out plus penalty shall be recovered as provided in subdivision 2.

Subd. 4. [INTEREST.] Amounts to be repaid to the state shall bear interest at six percent per annum from the date the state paid the claim until the date of repayment by the claimant.

Sec. 17. [290B.10] [APPEAL.] *Any person aggrieved by the denial, in whole or in part, of relief claimed under sections 8 to 25, except when the denial is based upon late filing of a claim for relief, may appeal the denial to the Minnesota tax court of appeals by filing a petition with the tax court of appeals within 30 days after the denial, as provided in chapter 271.*

Sec. 18. [290B.11] [NO RELIEF ALLOWED IN CERTAIN CASES.] *No claim for relief under sections 8 to 25 shall be allowed if the commissioner determines that the claimant received tenancy to his rental unit primarily for the purpose of receiving benefits under sections 8 to 25 and not for bona fide residence purposes.*

Sec. 19. [290B.12] [CLAIM APPLIED AGAINST OUTSTANDING LIABILITY.] *The amount of any claim otherwise payable under sections 8 to 25 may be applied by the commissioner against any delinquent tax liability of the claimant or spouse of the claimant payable to the department of revenue.*

Sec. 20. [290B.13] [PUBLICITY OF CLAIMS.] *It shall be unlawful for the commissioner or any other public official or employee to divulge or otherwise make known any particulars disclosed in any claim filed pursuant to sections 8 to 25. The provisions of section 290.61 relating to the confidential nature of income tax returns shall also be applicable to claims thus filed.*

Nothing herein shall be construed to prohibit the commissioner from making public the information concerning amounts of property tax accrued and the relief granted to taxpayers without including information which would identify individual taxpayers. The commissioner may examine income tax returns as he deems necessary and may utilize the information in legal and administrative proceedings to insure proper administration of sections 8 to 25, notwithstanding section 290.61.

Sec. 21. [290B.14] [RIGHT TO FILE CLAIM.] *If a claimant entitled to relief under sections 8 to 25 dies prior to receiving relief, the surviving spouse or dependent child of the claimant shall be entitled to receive it. If there is no surviving spouse or dependent child, the right to the credit shall lapse.*

Sec. 22. [290B.15] [LANDLORD TO FURNISH RENT CERTIFICATE; PENALTY.] *The owner or managing agent of any property for which rent is paid for occupancy as a homestead shall furnish a certificate of rent paid to each renter in the form prescribed by the commissioner. The certificate shall be made available to the renter not later than February 15 of the year following the year in which the rent was paid. Any owner or managing agent who willfully fails to furnish a certificate as provided herein shall be liable to the commissioner for a penalty of \$20 for each act or failure to act. The penalty shall be assessed and collected in the manner provided in chapter 290 for the assessment and collection of income tax.*

Sec. 23. [290B.16] [RULES.] *The commissioner shall promulgate rules which he deems appropriate for the administration of sections 8 to 25. He shall also make available forms with instructions for claimants as he deems necessary for the proper administration of sections 8 to 25. The claim shall be in the form the commissioner may prescribe.*

Sec. 24. [290B.17] [EXCLUSIVE RELIEF.] *Sections 290.981 to 290.992, 290.0601 to 290.0616, and 290.0618 shall not be effective with respect to any rent paid after December 31, 1974 or property taxes payable after December 31, 1975. Minnesota Statutes 1976, Chapter 290A, shall not be effective for property taxes payable after December 31, 1977.*

Sec. 25. [290B.18] [SUPPLEMENTAL HOUSING ALLOWANCE FOR AFDC RECIPIENTS.] *Recipients of the aid to families with dependent children program who receive a supplemental housing allowance under section 256.879 are not eligible for the tax credit set forth under sections 8 to 25. The commissioner of revenue shall assist the commissioner of public welfare in the administration of the supplemental housing allowance, and shall provide the commissioner of public welfare with such records and information as are necessary to administer the housing allowance.*

Sec. 26. [REPEALER.] *Minnesota Statutes 1976, Chapter 290A, is repealed.*

Sec. 27. [REPEALER.] *Minnesota Statutes 1976, Sections 273.011; 273.012; and 290.066, are repealed.*

Sec. 28. [EFFECTIVE DATE.] *Sections 1 to 7 and 27 are effective for taxes levied in 1977 and thereafter, payable in 1978 and thereafter. Sections 8 to 26 are effective for claims based on rent paid after December 31, 1976.*"

Further, amend the title as follows:

Page 1, line 14, delete "increasing the"

Page 1, line 15, delete "income-adjusted credit for homeowners" and insert "changing structure and procedures of income-adjusted homestead and renters credits"

Page 2, line 10, delete "290A.03,"

Page 2, delete lines 11 to 12

Page 2, line 13, delete "290A.05; 290A.10;"

Page 2, line 29, before the period insert "; and Chapter 290A"

The roll was called, and there were yeas 18 and nays 40, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Keefe, J.	Pillsbury	Sillers
Bang	Engler	Kirchner	Renneke	Ueland, A.
Bernhagen	Frederick	Knutson	Sieloff	Ulland, J.
Brataas	Jensen	Ogdahl		

Those who voted in the negative were:

Anderson	Gunderson	Lessard	Perpich	Staples
Benedict	Hanson	Lewis	Peterson	Stokowski
Borden	Hughes	Luther	Purfeerst	Strand
Chmielewski	Humphrey	McCutcheon	Schaaf	Stumpf
Coleman	Johnson	Menning	Schmitz	Tennessee
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Knoll	Olhoff	Setzepfandt	Wegener
Gearty	Laufenburger	Olson	Spear	Willet

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

Mr. Jensen moved to amend H. F. No. 1475, as amended by the Senate May 9, 1977, as follows:

Page 10, after line 7 insert:

"Sec. 3. Minnesota Statutes 1976, 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 this chapter 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. 4. Minnesota Statutes 1976, Section 290.06, is amended by adding a subdivision to read:

Subd. 2d. [INFLATION ADJUSTMENT.] For taxable years beginning after December 31, 1977, 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, 1977 to August 30 each succeeding year, and he shall announce the percentage figure by November 1, each year. The dollar amount in each range of the schedule shall be multiplied by that 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 remaining sections accordingly

Further amend the title as follows:

Page 1, line 4, after the semicolon, insert "providing an inflation adjustment for the income tax rate schedule;"

Page 2, line 8, before "3c" insert "2c,"

Page 2, line 9, after "3d" insert " and by adding a subdivision"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 17 and nays 45, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Keefe, J.	Pillsbury	Sillers
Bang	Engler	Kirchner	Renneke	Ueland, A.
Bernhagen	Frederick	Knutson	Sieloff	Ulland, J.
Brataas	Jensen			

Those who voted in the negative were:

Anderson	Hanson	Lewis	Olson	Spear
Benedict	Hughes	Luther	Perpich	Staples
Borden	Humphrey	McCutcheon	Peterson	Stokowski
Chmielewski	Johnson	Menning	Purfeerst	Strand
Coleman	Keefe, S.	Milton	Schaaf	Stumpf
Davies	Kleinbaum	Moe	Schmitz	Tennesen
Dieterich	Knoll	Nelson	Schrom	Vega
Gearty	Laufenburger	Nichols	Setzpfandt	Wegener
Gunderson	Lessard	Olhoff	Solon	Willet

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

Mr. Sieloff moved to amend H. F. No. 1475, as amended by the Senate May 9, 1977, as follows:

Page 38, after line 2, insert:

“Sec 11. Minnesota Statutes 1976, Section 290A.03, Subdivision 11, is amended to read:

Subd. 11. [RENT CONSTITUTING PROPERTY TAXES.] “Rent constituting property taxes” means 20 25 percent of the gross rent actually paid in cash, or its equivalent, in 1975 or any subsequent calendar year by a claimant solely for the right of occupancy of his Minnesota homestead in the calendar year, and which rent constitutes the basis, in the succeeding calendar year of a claim for relief under sections 290A.01 to 290A.21 by the claimant.”

Page 43, line 23, delete “ 18 ” and insert “ 19 ”

Renumber the remaining sections

Further amend the title as follows:

Page 2, line 11, after “8” insert “, 11”

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 17 and nays 41, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Keefe, J.	Pillsbury	Sillers
Bang	Engler	Kirchner	Renneke	Ueland, A.
Bernhagen	Frederick	Knutson	Sieloff	Ulland, J.
Brataas	Jensen			

Those who voted in the negative were:

Anderson	Hughes	Luther	Peterson	Stumpf
Borden	Humphrey	McCutcheon	Purfeerst	Tennesen
Chmielewski	Johnson	Menning	Schaaf	Vega
Coleman	Keefe, S.	Moe	Schmitz	Wegener
Davies	Kleinbaum	Nelson	Setzpfandt	Willet
Dieterich	Knoll	Nichols	Solon	
Gearty	Laufenburger	Olhoff	Staples	
Gunderson	Lessard	Olson	Stokowski	
Hanson	Lewis	Perpich	Strand	

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

Mr. Sieloff then moved to amend H. F. No. 1475, as amended by the Senate May 9, 1977, as follows:

Page 69, line 31, after "employer" insert "*for wages paid after June 30, 1977. Section 290.031 shall expire on June 30, 1978 and shall not apply to wages paid after that date*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 17 and nays 42, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Keefe, J.	Pillsbury	Sillers
Bang	Engler	Kirchner	Renneke	Ueland, A.
Bernhagen	Frederick	Knutson	Sieloff	Ulland, J.
Brataas	Jensen			

Those who voted in the negative were:

Anderson	Hanson	McCutcheon	Purfeerst	Strand
Benedict	Hughes	Menning	Schaaf	Stumpf
Borden	Humphrey	Moe	Schmitz	Tennessee
Chmielewski	Johnson	Nelson	Setzepfandt	Vega
Coleman	Keefe, S.	Nichols	Sikorski	Wegener
Davies	Kleinbaum	Olhoff	Solon	Willet
Dieterich	Knoll	Olson	Spear	
Gearty	Lewis	Perpich	Staples	
Gunderson	Luther	Peterson	Stokowski	

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

Mr. Sieloff then moved to amend H. F. No. 1475, as amended by the Senate May 9, 1977, as follows:

Page 81, line 2, delete "and"

Page 81, line 4, delete the period and insert a semicolon

Page 81, after line 4, insert:

"(e) make a comparative analysis of the tax structure of this state and that of other states as such tax structure relates to the taxation of business in this state;

(f) make findings concerning the impact of the tax structure of this state on decisions by business to move to other states which have a more favorable tax climate and specifically make findings concerning the number and nature of Minnesota businesses which have relocated in South Dakota;

(g) the findings and analysis set forth in clauses (e) and (f) shall be completed no later than February 15, 1978; and

(h) the commission shall not recommend an audit of tax returns of a person or particular class of persons."

Page 82, line 15, before the period insert "*, except that no per diem allowance shall be paid in excess of that allowable by law for legislators*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Perpich	Spear
Ashbach	Gearty	Knutson	Peterson	Staples
Bang	Gunderson	Lessard	Pillsbury	Strand
Benedict	Hanson	Lewis	Purfeerst	Stumpf
Bernhagen	Hughes	Luther	Renneke	Ueland, A.
Brataas	Humphrey	McCutcheon	Schaaf	Ulland, J.
Chmielewski	Jensen	Menning	Schmitz	Vega
Coleman	Johnson	Moe	Setzepfandt	Wegener
Davies	Keefe, J.	Nelson	Sieloff	Willet
Dieterich	Keefe, S.	Nichols	Sikorski	
Dunn	Kirchner	Olhoft	Sillers	
Engler	Kleinbaum	Olson	Solon	

The motion prevailed. So the amendment was adopted.

Mr. Knutson moved to amend H. F. No. 1475, as amended by the Senate May 9, 1977, as follows:

Page 14, after line 7, insert:

"Sec. 5. Minnesota Statutes 1976, Section 290.08, Subdivision 6, is amended to read:

Subd. 6. [PENSIONS, BENEFITS, AND ALLOWANCES FROM STATE AND UNITED STATES.] Amounts, including interest, received by any person from the United States or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer fireman's relief association, either as a refund of contributions to, or by way of payment as a pension, public employee retirement benefit, unemployment compensation benefit, social security benefit of railroad retirement or unemployment compensation benefit, family allotment or other similar allowance, *provided that the recipient was employed by that unit or subdivision or agency of government from which he receives the pension prior to December 31, 1977;*"

Re-number the sections in sequence

Page 28, line 30, strike "290.08, Subdivision 6;"

Amend the title as follows:

Page 2, line 9, after "3d;" insert "290.08, Subdivision 6;"

Page 2, line 26, strike "290.08,"

Page 2 line 27, strike "Subdivision 6;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 21 and nays 37, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Jensen	Knutson	Sieloff
Bang	Dunn	Keefe, J.	Pillsbury	Sillers
Benedict	Engler	Kirchner	Renneke	Ueland, A.
Bernhagen	Frederick	Knoll	Schrom	Ulland, J.
Brataas				

Those who voted in the negative were:

Anderson	Humphrey	Menning	Peterson	Strand
Coleman	Johnson	Moe	Purfeerst	Stumpf
Davies	Keefe, S.	Nelson	Schmitz	Vega
Dieterich	Kleinbaum	Nichols	Setzepfandt	Wegener
Gearty	Lessard	Olhoft	Solon	Willet
Gunderson	Lewis	Olson	Spear	
Hanson	Luther	Penny	Staples	
Hughes	McCutcheon	Perpich	Stokowski	

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

Mr. Sieloff then moved to amend H. F. No. 1475, as amended by the Senate May 9, 1977, as follows:

Page 28, delete lines 11 to 28

Renumber the remaining sections

Further, amend the title as follows:

Page 1, lines 12 and 13, delete "providing minimum tax on preference items;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 12 and nays 43, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Ogdahl	Renneke	Sillers
Bang	Frederick	Pillsbury	Sieloff	Ueland, A.
Brataas	Knutson			

Those who voted in the negative were:

Anderson	Gunderson	McCutcheon	Peterson	Strand
Benedict	Hanson	Menning	Purfeerst	Stumpf
Bernhagen	Hughes	Moe	Schaaf	Tennessee
Borden	Humphrey	Nelson	Schmitz	Ulland, J.
Chmielewski	Johnson	Nichols	Setzepfandt	Vega
Coleman	Keefe, S.	Olhoft	Sikorski	Wegener
Davies	Knoll	Olson	Solon	Willet
Dieterich	Lessard	Penny	Staples	
Gearty	Luther	Perpich	Stokowski	

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

Mr. Sieloff then moved to amend H. F. No. 1475, as amended by the Senate May 9, 1977, as follows:

Page 7, line 11, reinsert the stricken semicolon and insert "and"

Page 7, lines 15 to 17, reinsert the stricken language

Page 7, line 18, reinsert "section 290.65"

Page 28, line 30, delete ", and 290.65," and insert ";

Page 28, line 31, delete "Subdivision 1,"

Further, amend the title as follows:

Page 2, line 26, delete "290.65, Subdivision 1;"

The question was taken on the adoption of the amendment.

Mr. McCutcheon moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 19 and nays 37, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Jensen	Ogdahl	Sillers
Bang	Dunn	Keefe, J.	Pillsbury	Ueland, A.
Bernhagen	Engler	Kirchner	Renneke	Ulland, J.
Brataas	Frederick	Knutson	Sieloff	

Those who voted in the negative were:

Benedict	Hughes	Menning	Purfeerst	Stumpf
Borden	Humphrey	Moe	Schaaf	Tennessee
Coleman	Johnson	Nelson	Schmitz	Vega
Davies	Keefe, S.	Nichols	Setzepfandt	Wegener
Dieterich	Knoll	Olhoff	Spear	Willet
Gearty	Lewis	Penny	Staples	
Gunderson	Luther	Perpich	Stokowski	
Hanson	McCutcheon	Peterson	Strand	

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

Mr. Sieloff then moved to amend H. F. No. 1475, as amended by the Senate May 9, 1977, as follows:

Pages 70 to 71, delete section 4

Pages 72 to 73, delete section 6

Page 77, line 28, restore the stricken language

Page 80, delete line 13

Page 80, line 14, delete "*after December 31, 1977. Sections 5, 6 and 7*" and insert "*Sections 4 and 5*"

Renumber the sections in Article VII

Further, amend the title as follows:

Page 1, delete line 30

Page 1, line 31, delete "companies;"

Page 1, delete line 32

Page 1, line 33, delete "railroad rolling stock;"

Page 2, line 13, delete "295.02;" and "297A.211, by"

Page 2, line 14, delete "adding a subdivision;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 17 and nays 41, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Keefe, J.	Ogdahl	Sieloff
Bang	Engler	Kirchner	Pillsbury	Sillers
Bernhagen	Frederick	Knutson	Renneke	Ueland, A.
Brataas	Jensen			

Those who voted in the negative were:

Anderson	Hughes	McCutcheon	Schaaf	Tennessen
Benedict	Humphrey	Menning	Schmitz	Ulland, J.
Borden	Johnson	Moe	Sikorski	Vega
Chmielewski	Keefe, S.	Nelson	Solon	Wegener
Coleman	Knoll	Olhoft	Spear	Willet
Dieterich	Laufenburger	Penny	Staples	
Gearty	Lessard	Perpich	Stokowski	
Gunderson	Lewis	Peterson	Strand	
Hanson	Luther	Purfeerst	Stumpf	

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

Mr. Frederick moved to amend H. F. No. 1475, as amended by the Senate May 9, 1977, as follows:

Page 81, line 2, strike "and"

Page 81, line 4, strike the period and insert "; and"

Page 81, after line 4, insert:

"(e) examine the structure, burden and distribution of the taconite production tax, its relationship to taconite occupation, royalty and excise taxes, together with an examination of the needs of local taxing districts now receiving taconite production tax revenues, as well as an inquiry into the economics and competitive position of the steel and iron ore industries. The commission shall report its findings to the legislature on or before January 15, 1978."

Pages 86 to 116, strike Article X

Renumber the articles in sequence

Amend the title as follows:

Page 1, line 35, strike "changing taconite tax provisions;"

Page 1, strike line 36

Page 1, line 37, strike "protection fund;"

Page 2, line 2, strike "273.134; 273.135,"

Page 2, line 3, strike "Subdivision 2;"

Page 2, strike lines 15, 16, and 17

Page 2, line 18, strike "1; 298.282, Subdivisions 1 and" and insert "Subdivision"

Page 2, line 22, strike everything after the semicolon

Page 2, line 23, strike "sections;"

Page 2, line 27, strike everything after "6;"

Page 2, strike line 28 and strike all of line 29 except the period

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 14 and nays 45, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Jensen	Ogdahl	Sieloff
Bang	Engler	Kirchner	Pillsbury	Ueland, A.
Bernhagen	Frederick	Knutson	Renneke	

Those who voted in the negative were:

Anderson	Hanson	Luther	Penny	Staples
Benedict	Hughes	McCutcheon	Perpich	Stokowski
Borden	Humphrey	Menning	Peterson	Strand
Chmielewski	Johnson	Milton	Purfeerst	Stumpf
Coleman	Keefe, S.	Moe	Schmitz	Tennessee
Davies	Knoll	Nelson	Setzepfandt	Ulland, J.
Dieterich	Laufenburger	Nichols	Sikorski	Vega
Gearty	Lessard	Olhoff	Solon	Wegener
Gunderson	Lewis	Olson	Spear	Willet

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

Mr. Frederick then moved to amend H. F. No. 1475, as amended by the Senate May 9, 1977, as follows:

Page 106, line 9, strike "*to the credit of the iron range resources*"

Page 106, line 9, after "*and*" insert "*shall be annually appropriated from the general fund to the commissioner of natural resources to be used for purposes of reclamation and restoration of mineral land, and development of resources in the area.*"

Page 106, strike lines 10 to 17

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 17 and nays 45, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Keefe, J.	Ogdahl	Sieloff
Bang	Engler	Kirchner	Pillsbury	Sillers
Bernhagen	Frederick	Knutson	Renneke	Ueland, A.
Brataas	Jensen			

Those who voted in the negative were:

Anderson	Hanson	Luther	Penny	Staples
Benedict	Hughes	McCutcheon	Perpich	Stokowski
Borden	Humphrey	Menning	Peterson	Strand
Chmielewski	Johnson	Milton	Purfeerst	Stumpf
Coleman	Keefe, S.	Moe	Schmitz	Tennessee
Davies	Kleinbaum	Nelson	Setzepfandt	Ulland, J.
Dieterich	Knoll	Nichols	Sikorski	Vega
Gearty	Laufenburger	Olhoff	Solon	Wegener
Gunderson	Lessard	Olson	Spear	Willet

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

Mr. Frederick then moved to amend H. F. No. 1475, as amended by the Senate May 9, 1977, as follows:

Page 115, line 26, after the period insert "*No moneys in the northeast Minnesota economic protection fund shall be appropriated or expended for any purpose, or in any manner other*

than those explicitly stated in this act, without two-thirds of the members of the house of representatives and two-thirds of the members of the senate voting their approval, nor shall any of the provisions of sections 23, 24 and 25 of this act be amended without the approval of two-thirds of the members of the house of representatives and two-thirds of the members of the senate."

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

H. F. No. 1475 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 53 and nays 12, as follows:

Those who voted in the affirmative were:

Anderson	Hughes	Luther	Perpich	Staples
Benedict	Humphrey	McCutcheon	Peterson	Stokowski
Borden	Jensen	Menning	Purfeerst	Strand
Chmielewski	Johnson	Milton	Schaaf	Stumpf
Coleman	Keefe, J.	Moe	Schmitz	Tennessee
Davies	Keefe, S.	Nelson	Schrom	Ulland, J.
Dieterich	Kleinbaum	Nichols	Setzepfandt	Vega
Frederick	Knoll	Ogdahl	Sikorski	Wegener
Gearty	Laufenburger	Olhoff	Sillers	Willet
Gunderson	Lessard	Olson	Solon	
Hanson	Lewis	Penny	Spear	

Those who voted in the negative were:

Ashbach	Brataas	Kirchner	Pillsbury	Sieloff
Bang	Dunn	Knutson	Renneke	Ueland, A.
Bernhagen	Engler			

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

APPOINTMENTS

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

H. F. No. 231, pursuant to the request of the House:

Messrs. Lewis, Purfeerst and Knutson.

Mr. Coleman 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., Tuesday, May 10, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FIFTY-FIRST DAY

St. Paul, Minnesota, Tuesday, May 10, 1977

The Senate met at 1:00 o'clock p.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	Gerty	Lessard	Peterson	Stokowski
Ashbach	Gunderson	Luther	Pillsbury	Strand
Benedict	Hanson	McCutcheon	Schaaf	Stumpf
Bernhagen	Hughes	Menning	Schmitz	Tennessee
Borden	Humphrey	Merriam	Schrom	Vega
Chmielewski	Johnson	Moe	Setzepfandt	Wegener
Coleman	Keefe, S.	Nelson	Sieloff	Willet
Davies	Kirchner	Ogdahl	Sikorski	
Dunn	Kleinbaum	Penny	Spear	
Engler	Knoll	Perpich	Staples	

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

Prayer was offered by the Chaplain, Rev. Craig Hanson.

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

Anderson	Frederick	Knutson	Olhoff	Sikorski
Ashbach	Gerty	Laufenburger	Olson	Sillers
Bang	Gunderson	Lessard	Penny	Solon
Benedict	Hanson	Lewis	Perpich	Spear
Bernhagen	Hughes	Luther	Peterson	Staples
Borden	Humphrey	McCutcheon	Pillsbury	Stokowski
Brataas	Jensen	Menning	Purfeerst	Strand
Chmielewski	Johnson	Merriam	Renneke	Stumpf
Coleman	Keefe, J.	Milton	Schaaf	Tennessee
Davies	Keefe, S.	Moe	Schmitz	Ulland, J.
Dieterich	Kirchner	Nelson	Schrom	Vega
Dunn	Kleinbaum	Nichols	Setzepfandt	Wegener
Engler	Knoll	Ogdahl	Sieloff	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. Chenoweth and Ueland, A. were excused from the Ses-

sion of today. Mr. Lewis was excused from the Session of today from 1:00 o'clock p.m. until 4:00 o'clock p.m. Mr. Hanson was excused from the Session of today from 4:00 o'clock p.m. until 5:00 o'clock p.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 6, 1977

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

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1977 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 1977	Date Filed 1977
362		67	May 6	May 6
530		68	May 6	May 6
640		69	May 6	May 6
684		70	May 6	May 6
716		71	May 6	May 6
813		72	May 6	May 6

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. Sieloff; Ulland, J.; Ueland, A. and Renneke introduced—

S. F. No. 1514: A bill for an act relating to retirement; granting increases in annuities to certain deferred annuitants.

Referred to the Committee on Governmental Operations.

Mr. Keefe, S. introduced—

S. F. No. 1515: A bill for an act relating to drivers licenses; providing for inclusion of blood type and allergies on licenses; amending Minnesota Statutes 1976, Sections 171.06, Subdivision 3; and 171.07, Subdivision 1.

Referred to the Committee on General Legislation and Veterans Affairs.

Mr. Dieterich introduced—

S. F. No. 1516: A bill for an act relating to education; higher education coordinating board; providing for non-citizen students to be eligible for scholarships and grants-in-aids; amending Minnesota Statutes 1976, Section 136A.121, Subdivisions 1 and 2.

Referred to the Committee on Education.

Messrs. Dieterich; Milton; Keefe, J.; Kirchner and Lewis introduced—

S. F. No. 1517: A bill for an act relating to emergency health services; providing for the licensing and regulation of paramedics and paramedic programs; establishing a board of paramedic licensing; prescribing its powers and duties; providing penalties; 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 Files, herewith returned: S. F. Nos. 465, 914, 1103, 1164, 737, 967, 969, 970, 972, 973, 1014, 1138, 831, 903, 930, 1140, 78, 188, 827 and 498.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 9, 1977

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. 166: A bill for an act relating to real estate; landlord and tenant; venue of actions brought to recover rent deposits; amending Minnesota Statutes 1976, Sections 487.30, by adding a subdivision; 488.04, by adding a subdivision; 488A.01, by adding a subdivision; 488A.12, Subdivision 3; 488A.18, Subdivision 4; 488A.29, Subdivision 3; and 504.20, by adding a subdivision.

Senate File No. 166 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 9, 1977

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 166 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 166 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Lessard	Penny	Staples
Ashbach	Gearty	Luther	Peterson	Stokowski
Bang	Gunderson	McCutcheon	Pillsbury	Stumpf
Benedict	Hughes	Menning	Schaaf	Tennessee
Bernhagen	Humphrey	Merriam	Schmitz	Ulland, J.
Borden	Johnson	Milton	Setzepfandt	Vega
Chmielewski	Keefe, J.	Moe	Sieloff	Wegener
Coleman	Kirchner	Nelson	Sikorski	Willet
Davis	Kleinbaum	Ogdahl	Sillers	
Dieterich	Knoll	Olhoft	Solon	
Dunn	Laufenburger	Olson	Spear	

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. 1369: A bill for an act relating to the cities of St. Paul, Minneapolis, and Duluth; firemen's survivor benefits; amending Laws 1955, Chapter 375, Section 25, as amended; Laws 1965, Chapter 519, Section 1, as amended; and Laws 1975, Chapter 127, Section 2, as amended.

Senate File No. 1369 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 9, 1977

CONCURRENCE AND REPASSAGE

Mr. Stokowski for Mr. Chenoweth moved that the Senate concur in the amendments by the House to S. F. No. 1369 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1369: A bill for an act relating to the cities of St. Paul, Minneapolis, and Duluth; firefighter's survivor benefits; amending Laws 1955, Chapter 375, Section 25, as amended; Laws 1965, Chapter 519, Section 1, as amended; and Laws 1975, Chapter 127, Section 2, as amended.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Penny	Spear
Bang	Gunderson	Luther	Peterson	Staples
Benedict	Hanson	McCutcheon	Pillsbury	Stokowski
Bernhagen	Hughes	Menning	Renneke	Stumpf
Borden	Humphrey	Merriam	Schaaf	Ulland, J.
Chmielewski	Johnson	Milton	Schmitz	Vega
Coleman	Keefe, S.	Nelson	Setzepfandt	Wegener
Davies	Kirchner	Nichols	Sieloff	Willet
Dieterich	Kleinbaum	Ogdahl	Sikorski	
Dunn	Knoll	Olhoft	Sillers	
Engler	Laufenburger	Olson	Solon	

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. 69: A bill for an act relating to adoption; increasing the exceptions in execution of consents to adoptions; requiring consents to be in writing, before witnesses; amending Minnesota Statutes 1976, Section 259.24, Subdivision 5.

Senate File No. 69 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 9, 1977

CONCURRENCE AND REPASSAGE

Mr. Sieloff moved that the Senate concur in the amendments by the House to S. F. No. 69 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 69 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Penny	Spear
Ashbach	Gunderson	Lessard	Perpich	Staples
Bang	Hanson	Luther	Peterson	Stokowski
Benedict	Hughes	McCutcheon	Pillsbury	Strand
Bernhagen	Humphrey	Menning	Renneke	Stumpf
Borden	Jensen	Merriam	Schaaf	Ulland, J.
Chmielewski	Johnson	Milton	Schmitz	Vega
Coleman	Keefe, J.	Nelson	Setzepfandt	Wegener
Davies	Keefe, S.	Nichols	Sieloff	Willet
Dieterich	Kirchner	Ogdahl	Sikorski	
Dunn	Kleinbaum	Olhoft	Sillers	
Engler	Knoll	Olson	Solon	

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. 1017: A bill for an act relating to the town of Bass Brook; authorizing the town board to exercise the powers described in Minnesota Statutes, Section 368.01 and Chapters 412, 429, 474 and 475.

Senate File No. 1017 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 9, 1977

CONCURRENCE AND REPASSAGE

Mr. Lessard moved that the Senate concur in the amendments by the House to S. F. No. 1017 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1017: A bill for an act relating to the town of Bass Brook; authorizing the town board to exercise the powers described in Minnesota Statutes, Chapter 474.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Knutson	Olhoft	Sillers
Ashbach	Gunderson	Laufenburger	Olson	Solon
Bang	Hanson	Lessard	Penny	Spear
Benedict	Hughes	Luther	Perpich	Staples
Bernhagen	Humphrey	McCutcheon	Peterson	Stokowski
Borden	Jensen	Menning	Pillsbury	Strand
Chmielewski	Johnson	Merriam	Renneke	Stumpf
Coleman	Keefe, J.	Milton	Schaaf	Tennessee
Davies	Keefe, S.	Moe	Schmitz	Ulland, J.
Dieterich	Kirchner	Nelson	Setzepfandt	Vega
Dunn	Kleinbaum	Nichols	Sieloff	Wegener
Engler	Knoll	Ogdahl	Sikorski	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. 742: A bill for an act relating to the White Bear Lake conservation district; increasing membership on its governing board; providing for selection of board officers; amending Laws 1971, Chapter 355, Sections 2, Subdivision 2; and 8, Subdivision 1.

Senate File No. 742 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 9, 1977

Mr. Milton moved that the Senate do not concur in the amendments by the House to S. F. No. 742 and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 1234: A bill for an act relating to education; authorizing the state board of education to create additional advisory task forces; amending Minnesota Statutes 1976, Section 15.014, by adding subdivisions.

Senate File No. 1234 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 9, 1977

CONCURRENCE AND REPASSAGE

Mr. Schaaf moved that the Senate concur in the amendments by the House to S. F. No. 1234 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1234 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Laufenburger	Olson	Solon
Ashbach	Hanson	Lessard	Penny	Spear
Bang	Hughes	Luther	Perpich	Stokowski
Benedict	Humphrey	McCutcheon	Peterson	Strand
Bernhagen	Jensen	Menning	Pillsbury	Stumpf
Borden	Johnson	Merriam	Renneke	Tennessee
Chmielewski	Keefe, J.	Milton	Schaaf	Ulland, J.
Davies	Keefe, S.	Moe	Schmitz	Vega
Dieterich	Kirchner	Nelson	Setzepfandt	Wegener
Dunn	Kleinbaum	Nichols	Sieloff	Willet
Engler	Knoll	Ogdahl	Sikorski	
Gearty	Knutson	Olhoft	Sillers	

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. 125: A bill for an act relating to commerce; prohibiting discriminatory trade practices; providing a penalty; amending Minnesota Statutes 1976, Section 325.8018, Subdivision 2; and Chapter 325, by adding a section.

Senate File No. 125 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 9, 1977

CONCURRENCE AND REPASSAGE

Mr. Keefe S. moved that the Senate concur in the amendments by the House to S. F. No. 125 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 125 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 55 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lessard	Penny	Solon
Ashbach	Hanson	Luther	Perpich	Spear
Bang	Hughes	McCutcheon	Peterson	Staples
Benedict	Humphrey	Menning	Renneke	Stokowski
Bernhagen	Johnson	Merriam	Schaaf	Strand
Borden	Keefe, J.	Moe	Schmitz	Stumpf
Chmielewski	Keefe, S.	Nelson	Schrom	Tennessee
Dieterich	Kirchner	Nichols	Setzepfandt	Ulland, J.
Dunn	Kleinbaum	Ogdahl	Sieloff	Vega
Engler	Knoll	Olhoft	Sikorski	Wegener
Gearty	Laufenburger	Olson	Sillers	Willet

Mr. Jensen 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. 875: A bill for an act relating to the county of Hennepin; changing duties of personnel board; providing for referral

of additional eligible names to fill vacancies; amending Laws 1965, Chapter 855, Section 4, Subdivision 2.

Senate File No. 875 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 9, 1977

Mrs. Staples moved that the Senate concur in the amendments by the House to S. F. No. 875 and that the bill be placed on its repassage as amended.

Mr. Wegener moved that the Senate do not concur in the amendments by the House to S. F. No. 875 and that a Conference Committee of 3 members be appointed by the Subcommittee 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 question was taken on the adoption of the Wegener motion.

The roll was called and there were yeas 33 and nays 27, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Lessard	Peterson	Sillers
Ashbach	Hanson	Menning	Purfeerst	Stokowski
Bang	Jensen	Nichols	Renneke	Strand
Bernhagen	Keefe, S.	Ogdahl	Schmitz	Ulland, J.
Chmielewski	Kirchner	Olhoff	Schrom	Wegener
Davies	Kleinbaum	Olson	Setzepfandt	
Dunn	Knutson	Penny	Sieloff	

Those who voted in the negative were:

Benedict	Hughes	Luther	Pillsbury	Tennessee
Borden	Humphrey	McCutcheon	Schaaf	Vega
Coleman	Johnson	Merriam	Sikorski	Willet
Dieterich	Keefe, J.	Moe	Spear	
Gearty	Knoll	Nelson	Staples	
Gunderson	Laufenburger	Perpich	Stumpf	

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 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 motor vehicles; registration and taxation; increasing fees for filing applications; amending Minnesota Statutes 1976, Section 168.33, Subdivisions 2 and 7.

Senate File No. 932 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 9, 1977

Mr. Menning 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 Subcommittee 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. 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 be appointed by and shall serve at the pleasure of the appointing authority; providing for the succession of commissioners; limiting the ability of former commissioners and former deputy commissioners to appear before their former agencies; defining position and duties of deputy department heads; standardizing the format and procedures relating to executive orders and reorganization orders; prescribing uses for executive orders; limiting the scope of reorganization orders; abolishing the board of health and transferring its powers to the commissioner of health; creating a health advisory council; eliminating obsolete language; amending Minnesota Statutes 1976, Sections 15.051, Subdivisions 1 and 3; 15.06; 16.01; 16.125; 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, Subdivision 1; 129A.02, Subdivision 2; 174.02, Subdivision 1; 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; 362.09, Subdivision 1; 363.04, Subdivision 1; 462A.04, Subdivision 8; and Chapter 144, by adding a section; repealing Minnesota Statutes 1976, Sections 16.13; 121.07; 121.08; 121.10; 121.16, Subdivision 2; 144.01; 144.02; 144.03; 144.04; 175.001, Subdivision 4; and 216A.06, Subdivision 2.

Senate File No. 109 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 9, 1977

Mr. Schaaf moved that the Senate do not concur in the amendments by the House to S. F. No. 109 and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 335: A bill for an act relating to elections; providing for judges of election to serve under certain conditions; amending Minnesota Statutes 1976, Sections 207.02; and 204A.17, Subdivision 1.

Senate File No. 335 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 9, 1977

CONCURRENCE AND REPASSAGE

Mr. Bang moved that the Senate concur in the amendments by the House to S. F. No. 335 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 335 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Penny	Sillers
Ashbach	Gearty	Laufenburger	Perpich	Solon
Bang	Gunderson	Lessard	Peterson	Spear
Benedict	Hanson	Luther	Pillsbury	Staples
Bernhagen	Hughes	Menning	Purfeerst	Stokowski
Borden	Humphrey	Merriam	Renneke	Strand
Brataas	Jensen	Moe	Schaaf	Stumpf
Chmielewski	Johnson	Nelson	Schmitz	Tennessee
Coleman	Keefe, J.	Nichols	Schrom	Ulland, J.
Davies	Kirchner	Ogdahl	Setzepfandt	Vega
Dieterich	Kleinbaum	Olhoft	Sieloff	Wegener
Dunn	Knoll	Olson	Sikorski	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. 213: A bill for an act relating to the city of Minneapolis; relating to elections; allowing regulation of campaign financing solely by local ordinance which contains at least the requirements of Minnesota Statutes, Chapter 10A; providing for referral of violations to the county attorney; providing penalties.

Senate File No. 213 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 9, 1977

CONCURRENCE AND REPASSAGE

Mr. Spear moved that the Senate concur in the amendments by the House to S. F. No. 213 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 213 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Laufenburger	Penny	Sillers
Ashbach	Hanson	Lessard	Perpich	Solon
Bang	Hughes	Luther	Peterson	Spear
Benedict	Humphrey	McCutcheon	Pillsbury	Staples
Bernhagen	Jensen	Menning	Purfeerst	Stokowski
Borden	Johnson	Merriam	Renneke	Strand
Brataas	Keefe, J.	Moe	Schaaf	Stumpf
Chmielewski	Keefe, S.	Nelson	Schmitz	Tennessee
Dieterich	Kirchner	Nichols	Schrom	Ulland, J.
Dunn	Kleinbaum	Ogdahl	Setzepfandt	Vega
Engler	Knoll	Olhoft	Sieloff	Wegener
Gearly	Knutson	Olson	Sikorski	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. 49: A bill for an act relating to business or agricultural loans; rate of interest therein; amending Minnesota Statutes 1976, Section 334.011, Subdivisions 1 and 4.

Senate File No. 49 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 9, 1977

Mr. Laufenburger moved that the Senate do not concur in the amendments by the House to S. F. No. 49 and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 1290: A bill for an act relating to juveniles; prescribing venue for neglect cases; amending Minnesota Statutes 1976, Section 260.121, Subdivision 1.

Senate File No. 1290 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 9, 1977

Mrs. Staples moved that the Senate do not concur in the amendments by the House to S. F. No. 1290 and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 319: A bill for an act relating to crimes; regulating public dances; amending Minnesota Statutes 1976, Sections 624.42, and 624.46.

Senate File No. 319 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 9, 1977

CONCURRENCE AND REPASSAGE

Mr. Wegener moved that the Senate concur in the amendments by the House to S. F. No. 319 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 319 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 59 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Gearly	Knutson	Olson	Sillers
Ashbach	Gunderson	Laufenburger	Penny	Solon
Bang	Hanson	Lessard	Perpich	Spear
Benedict	Hughes	Luther	Peterson	Staples
Bernhagen	Humphrey	McCutcheon	Pillsbury	Stokowski
Brataas	Jensen	Menning	Purfeerst	Strand
Chmielewski	Johnson	Merriam	Schaaf	Stumpf
Coleman	Keefe, J.	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet
Engler	Knoll	Olhoft	Sikorski	

Mr. 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 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. 51: A bill for an act relating to elections; election officers; procedures for counting ballots; recounts in legislative races on request; prohibiting certain public meetings and school events on election days; duties of the secretary of state; and preparation and reception of absentee ballots; amending Minnesota Statutes 1976, Sections 204A.17, Subdivision 5; 204A.39, Subdivision 2; 204A.41; 204.51, Subdivisions 2 and 3; 204A.53, Subdivisions 2 and 3; 204A.54, Subdivision 1; 206.026, Subdivision 5; 206.03; 206.075; 206.19, Subdivision 1; 206.23; 207.11; 207.19, Subdivision 1; and Chapter 204A, by adding a section.

Senate File No. 51 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 9, 1977

CONCURRENCE AND REPASSAGE

Mr. Menning moved that the Senate concur in the amendments by the House to S. F. No. 51 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 51: A bill for an act relating to elections; election officers; procedures for counting ballots; recounts in legislative races on request; prohibiting certain public meetings and school events on election days; duties of the secretary of state; and preparation and reception of absentee ballots; amending Minnesota Statutes 1976, Sections 204A.17, Subdivision 5; 204A.39, Subdivision 2; 204A.41; 206.026, Subdivision 5; 206.03; 206.075; 206.19, Subdivision 1; 206.23; 207.11; 207.19, Subdivision 1; and Chapter 204A, by adding a section.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 56 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Frederick	Jensen	Kleinbaum
Bang	Coleman	Gearty	Johnson	Knoll
Benedict	Dieterich	Gunderson	Keefe, J.	Knutson
Bernhagen	Dunn	Hanson	Keefe, S.	Laufenburger
Brataas	Engler	Humphrey	Kirchner	Lessard

Luther	Olhoff	Renneke	Sillers	Vega
McCutcheon	Olson	Schaaf	Solon	Wegener
Menning	Penny	Schmitz	Spear	Willet
Merriam	Perpich	Schrom	Staples	
Moe	Peterson	Setzepfandt	Stokowski	
Nelson	Pillsbury	Sieloff	Stumpf	
Ogdahl	Purfeerst	Sikorski	Ulland, J.	

Mr. Davies 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. 826: A bill for an act relating to seaway port authorities; personnel; contracts; authorizing port authorities to employ a certified public accountant to audit the books of the authority and authorizing the state auditor to accept such audits in lieu of his audit; amending Minnesota Statutes 1976, Section 458.18.

Senate File No. 826 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 9, 1977

Mr. Ulland, J. moved that the Senate do not concur in the amendments by the House to S. F. No. 826 and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 583: A bill for an act relating to insurance companies; prescribing penalties for violation of certain filing requirements; amending Minnesota Statutes 1976, Chapter 72A, by adding a section; repealing Minnesota Statutes 1976, Section 72A.06.

Senate File No. 583 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 9, 1977

Mr. Solon moved that S. F. No. 583 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. 1193, 1405, 544, 772, 1215, 1498, 8, 914, 992, 1582, 530, 756 and 1004.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 9, 1977

FIRST READING OF HOUSE BILLS

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

H. F. No. 1193: A bill for an act relating to the city of Bloomington in Hennepin county, the city of South St. Paul in Dakota county and the city of Mankato in Blue Earth county; housing and redevelopment authority; providing that the housing and redevelopment authority may make loans and grants for home improvement, rental assistance, and financial assistance; amending Laws 1971, Chapter 616, Sections 1 and 2.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1037 now on General Orders.

H. F. No. 1405: A bill for an act relating to state employees; providing for investment options for deferred compensation; amending Minnesota Statutes 1976, Section 352.96, Subdivisions 2, 3 and 4.

Referred to the Committee on Rules and Administration for Comparison to S. F. No. 1249 now on General Orders.

H. F. No. 544: A bill for an act relating to highways; removing the construction moratorium on a certain interstate route, and extending it through the city of St. Paul; removing a certain route from the trunk highway system; amending Minnesota Statutes 1976, Sections 161.117; 161.12; and 161.123.

Referred to the Committee on Rules and Administration for Comparison to S. F. No. 543 now on General Orders.

H. F. No. 772: A bill for an act relating to state contracts; regulating bid and performance bonds for small businesses and minority small businesses; appropriating money; amending Minnesota Statutes 1976, Chapter 574, by adding a section.

Referred to the Committee on Finance.

H. F. No. 1215: A bill for an act relating to environmental protection; prohibiting transportation of radioactive wastes into Minnesota for purposes of storage or disposal; providing exceptions; prescribing penalties.

Referred to the Committee on Rules and Administration for Comparison to S. F. No. 1133 now on General Orders.

H. F. No. 1498: A bill for an act relating to public welfare; mandating the working of certain general assistance recipients; allowing the use of general assistance funds for the work equity program; empowering the commissioner of public welfare to contract for recipient services and grant distribution; amending Minnesota Statutes 1976, Sections 256D.02, by adding subdivisions; 256D.04; 256D.06, by adding a subdivision; and 256D.11, Subdivisions 1 and 4, and by adding subdivisions.

Referred to the Committee on Rules and Administration for Comparison to S. F. No. 1465 now on General Orders.

H. F. No. 8: A bill for an act relating to trade regulations; providing for unit pricing of certain packaged commodities; providing for exemptions; providing a penalty.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 116 now on General Orders.

H. F. No. 914: A bill for an act relating to human services; providing certain services to juveniles; clarifying the authority of the juvenile court; amending Minnesota Statutes 1976, Sections 260.311, Subdivisions 1, 3 and 5; and 402.02, Subdivision 2.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1112 now on General Orders.

H. F. No. 992: A bill for an act relating to taxation; altering requirements for income adjusted homestead credit; amending Minnesota Statutes 1976, Sections 290.066, Subdivision 1; 290A.03, Subdivisions 6, 7, 8, 11, 12 and 13; 290A.05; 290A.08; 290A.10; 290A.14; 290A.18; 290A.19; and Laws 1976, Chapter 334, Section 21; repealing Minnesota Statutes 1976, Sections 290.0601; 290.0602; 290.0603; 290.0604; 290.0605; 290.0606; 290.0608; 290.0609; 290.061; 290.0611; 290.0612; 290.0614; 290.0615; 290.0616; 290.0618; 290.066, Subdivisions 2 and 3; 290.981; 290.982; 290.983; 290.984; 290.985; 290.986; 290.987; 290.988; 290.989; 290.99; 290.991; 290.992; and 290A.21.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 1582: A bill for an act relating to public safety; clarifying the duties of the commissioner of public safety in regard to the state criminal justice datacommunications network; amending Minnesota Statutes 1976, Sections 299C.46; 299C.48; and Chapter 299C, by adding a section; repealing Minnesota Statutes 1976, Section 299C.45.

Referred to the Committee on Finance.

H. F. No. 530: A bill for an act relating to commerce; regulating the use of credit life and credit health and accident insurance; eliminating level term credit life insurance; eliminating "pyramiding" of credit life insurance; permitting joint life credit insurance policies; permitting certain classes of credit accident and health

insurance; amending Minnesota Statutes 1976, Sections 53.051; 56.15, Subdivision 2; 61A.12, by adding a subdivision; 62B.04, Subdivision 1; and 62B.05.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 330 now on General Orders.

H. F. No. 756: A bill for an act relating to public lands; authorizing sale of certain state owned and tax forfeited lands for use in a taconite tailings disposal facility.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 681 now on General Orders.

H. F. No. 1004: A bill for an act relating to worker's compensation; limiting expenses and profit includable in workers' compensation insurance premiums; permitting the commissioner of insurance to employ an actuary; including legislators in coverage; requiring owners to elect non-coverage; excluding certain family corporations and certain nonprofit associations from coverage; increasing benefit levels; vesting certain benefits; excluding certain employment; regulating attorney's fees; providing for depending surviving spouses; providing for supplemental benefits; altering notice requirements; providing for the distribution of physician's reports; providing for adjustments to benefit payments; creating a workers' compensation study commission; appropriating money; amending Minnesota Statutes 1976, Sections 79.07; 79.30; 176.011, Subdivisions 9 and 11a; 176.012; 176.021, Subdivision 3; 176.041, Subdivision 1; 176.051; 176.081, Subdivisions 1, 2, 3, 4, and 6; 176.101; 176.111, Subdivisions 6, 11 and 21; 176.132, Subdivisions 1, 2, and 3; 176.141; 176.155, Subdivision 1; 176.221, by adding a subdivision; 176.511, Subdivision 3; 176.645; and Chapter 79 by adding a section; repealing Minnesota Statutes 1976, Sections 176.111, Subdivision 13; and 176.185, Subdivision 8.

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. Moe from the Committee on Finance, to which was referred

S. F. No. 1027: A bill for an act relating to the organization and operation of state government; education; changing the name and membership of the higher education coordinating board; prescribing additional duties for the board; restricting the staff of the board; appropriating money; amending Minnesota Statutes 1976, Sections 136A.01; 136A.02, Subdivisions 1, 1a, and 2; 136A.03; 136A.04; 136A.05; and 136A.07.

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

Page 1, strike section 1

Page 1, line 21, strike the new language and reinsert the stricken language

Page 1, line 22, strike the new language

Page 2, line 11, before "board" insert "higher education co-ordinating"

Page 2, line 11, strike "of governors for post-secondary"

Page 2, line 12, strike "and higher education"

Page 3, line 15, reinsert "an"

Page 3, line 16, reinsert "executive"

Page 3, line 16, reinsert "director"

Page 3, line 16, strike "a chancellor"

Page 3, line 18, strike "chancellor" and insert "executive director"

Page 3, line 21, strike "chancellor" and insert "executive director"

Page 3, line 23, reinsert "executive"

Page 3, line 24, reinsert "director" and strike "chancellor"

Page 3, line 29, strike "chancellor" and insert "executive director"

Page 4, line 5, strike "chancellor and deputy chancellor" and insert "executive director and assistant director"

Page 4, line 20, reinsert the stricken language

Page 4, line 21, strike the new language

Page 5, line 9, strike "area" and insert "post-secondary"

Page 5, line 10, strike "institutes" and insert "schools"

Page 7, line 4, strike "review" and insert "reviews"

Page 7, line 9, before "community" insert "the"

Page 7, line 10, before "state" insert "the"

Page 7, line 10, strike "area vocational technical institutes" and insert "the post-secondary vocational-technical schools"

Page 7, line 11, strike "their" and insert "the"

Page 7, line 11, after "of" insert "their"

Page 7, line 14, before "community" insert "the"

Page 7, line 14, before "state" insert "the"

Page 7, line 14, strike "area" and insert "the post-secondary vocational-technical schools"

Page 7, line 15, strike "vocational technical institutes"

Page 7, line 18, strike "(a)" and insert "(1)"

Page 7, line 20, strike "(b)" and insert "(2)"

Page 7, line 21, strike "(c)" and insert "(3)"

Page 7, line 24, strike "(d)" and insert "(4)"

Page 7, line 25, strike "*vocational/technical*" and insert "*vocational-technical*"

Page 8, line 3, reinsert the stricken language and strike the new language

Page 8, line 4, strike the new language

Page 8, line 8, reinsert the stricken language

Page 8, line 9, reinsert the stricken language and strike the new language

Page 8, line 10, strike the new language

Page 8, line 22, before "*board*" insert "*higher education coordinating*"

Page 8, line 22, strike "*of governor for post-secondary and*"

Page 8, line 23, strike "*higher education*"

Page 8, line 30, strike "*and*" and insert a semicolon

Page 8, strike lines 31 and 32

Page 9, line 1, strike "*encourage*" and insert "*effectuate where desirable*"

Page 9, strike lines 7 and 8

Page 9, line 9, strike "*affected institutions.*"

Page 9, line 10, strike "*preliminary*"

Page 9, line 10, strike "*quarterly*"

Page 9, line 10, strike "*a joint meeting of*"

Page 9, line 14, strike "*of governors for*"

Page 9, line 15, strike "*post-secondary and higher education*"

Page 9, strike section 10

Page 9, line 29, strike "*improve*" and insert "*increase the*"

Page 9, line 29, after "*board*" insert "*in order*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, strike "name and"

Page 1, line 8, strike "136A.01;"

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

Mr. Tennesen from the Committee on Commerce, to which was referred

H. F. No. 257: A bill for an act relating to banks, trust companies and savings banks; rule making authority; fees for special investigations; accounts maintained by banking division employees; fees; banks minimum organizational capital, surplus and undivided profits; providing for certified deposit of capital funds in a custodial bank; providing for banks annual audit systems, approval and reports; state banks minimum capital requirements, establishing investigatory fee for application to acquire trust authority; trust company minimum capital requirements; relating to boards of directors of financial institutions; clarification of certain language; amending Minnesota Statutes 1976, Sections 46.01; 46.04; 46.05; 46.09; 46.131, Subdivision 2, and by adding a subdivision; 48.02; 48.10; 48.36; 48.37; 48.44; 48.67; 48.69; 300.025 and 300.20.

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. 954: A bill for an act relating to juries; enacting the uniform juror selection and service act; providing for the selection and service of grand and petit jurors; providing penalties; repealing Minnesota Statutes 1976, Sections 3.081; 192.24; 357.26; 488A.07; 546.09; 593.03; 593.04; 593.05; 593.06; 593.07; 593.09; 593.10; 593.11; 593.12; 593.13; 593.14; 593.20; 628.42; 628.43; 628.44; 628.45; 628.46; 628.47; 628.49; 628.50; 628.51; 628.52; 628.53; 631.33; and Laws 1959, Chapter 219; and Extra Session Laws 1959, Chapter 19, Section 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. 676: A bill for an act relating to intoxicating liquor; civil liability for illegal sale, barter or gift thereof; amending Minnesota Statutes 1976, Sections 340.95 and 340.951.

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. 1460: A bill for an act relating to employment services; authorizing the release of information to certain state agencies; amending Minnesota Statutes 1976, Section 268.12, Subdivision 12.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

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

H. F. No. 1113: A bill for an act relating to welfare; clarifying the powers of guardianship by the commissioner; amending Minnesota Statutes 1976, Sections 252A.02, Subdivision 2; 252A.03, Subdivision 3; 252A.04, Subdivision 3; 252A.07, Subdivision 1; and 252A.18; repealing Minnesota Statutes 1976, Section 252.03.

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

Page 1, strike lines 11 to 19

Page 1, line 23, restore the stricken language

Page 2, line 1, after "and" insert "*if the comprehensive evaluation concludes*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, strike "252A.02,"

Page 1, line 5, strike "Subdivision 2;"

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. 314: A bill for an act relating to Olmsted county; authorizing electronic recording of trial proceedings; providing for costs and payment.

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

Page 2, after line 5 insert

"Subd. 3. [REPORT.] By November 15, 1978, the Olmsted county board shall cause to be made a report to the legislature on the use of electronic recording devices authorized pursuant to this act. The report shall include data necessary for a full evaluation and comparison of the use of electronic recording devices and the use of stenographic recording devices to record and transcribe court proceedings."

Page 2, line 8, strike "supreme court" and insert "judges of the third judicial district"

Amend the title as follows:

Page 1, line 4, after "payment" and before the period insert "; requiring a report to the legislature"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 655: 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 9, strike "committee" and insert "commission"

Page 1, line 13, after "communities" insert "to be available until June 30, 1979"

Pages 1 and 2, strike all of subdivision 3

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1137: A bill for an act relating to chiropractic; further defining the practice of chiropractic; amending Minnesota Statutes 1976, Section 148.01, Subdivision 3.

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 418: A bill for an act relating to motor vehicles; requiring information as to all owners in applications for registration or certificate of title; appropriating money; amending Minnesota Statutes 1976, Sections 168.10, Subdivision 1; 168A.04, Subdivision 1; and 168A.05, Subdivision 3.

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 597: A bill for an act relating to game and fish; requiring a migratory waterfowl stamp; providing for the disposition of proceeds; appropriating funds; amending Minnesota Statutes 1976, Chapter 97, by adding sections; Sections 98.46, Subdivision 2a; and 98.50, Subdivision 5.

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 889: A bill for an act appropriating money for public radio purposes; providing grants for public radio stations serving

Minnesota; providing for supervision of grant expenditures.

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. 316: A bill for an act relating to wrongful death; authorizing the commencement of an action within three years from the date of death; amending Minnesota Statutes 1976, Section 573.02, Subdivision 1.

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

Page 1, line 15, after the period insert "*Except for an action to recover damages for a death caused by the alleged professional negligence of a physician, surgeon, dentist, hospital, or sanatorium, or an employee of a physician, surgeon, dentist, hospital or sanatorium,*"

Page 1, line 18, after the period insert "*An action to recover damages for a death caused by the alleged professional negligence of a physician, surgeon, dentist, hospital or sanatorium, or an employee of a physician, surgeon, dentist, hospital or sanatorium must be commenced within three years after the act or omission.*"

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. 1015: A bill for an act relating to human rights; clarifying the scope of sex discrimination; providing for an appeal by the commissioner; providing for a civil action without filing with the department; amending Minnesota Statutes 1976, Sections 363.01, by adding a subdivision; 363.02, Subdivision 1; 363.05, Subdivision 1; 363.072, Subdivision 1.

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

Page 1, line 13, place quotation marks around "*Sex*"

Page 1, line 15, strike everything after the period

Page 1, strike lines 16 to 20

Page 2, after line 20, insert

"(iii) to limit receipt of benefits payable under a fringe benefit plan for disabilities to that period of time which a licensed physician reasonably determines a person is unable to work, or"

Page 2, line 21, strike "*(iii)*" and insert "*(iv)*"

Page 2, after line 24, insert

"Sec. 3. Minnesota Statutes 1976, Section 363.03, Subdivision 1, is amended to read:

363.03 [UNFAIR DISCRIMINATORY PRACTICES.] Subdivision 1. [EMPLOYMENT.] Except when based on a bona fide occupational qualification, it is an unfair employment practice:

(1) For a labor organization, because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance or disability,

(a) to deny full and equal membership rights to a person seeking membership or to a member;

(b) to expel a member from membership;

(c) to discriminate against a person seeking membership or a member with respect to his hire, apprenticeship, tenure, compensation, terms, upgrading, conditions, facilities, or privileges of employment; or

(d) to fail to classify properly, or refer for employment or otherwise to discriminate against a person or member.

(2) For an employer, because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance or disability,

(a) to refuse to hire or to maintain a system of employment which unreasonably excludes a person seeking employment; or

(b) to discharge an employee; or

(c) to discriminate against a person with respect to his hire, tenure, compensation, terms, upgrading, conditions, facilities, or privileges of employment ; .

(3) For an employment agency, because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance or disability,

(a) to refuse or fail to accept, register, classify properly, or refer for employment or otherwise to discriminate against a person; or

(b) to comply with a request from a employer for referral of applicants for employment if the request indicates directly or indirectly that the employer fails to comply with the provisions of this chapter; .

(4) For an employer, employment agency, or labor organization, before a person is employed by an employer or admitted to membership in a labor organization, to

(a) require the person to furnish information that pertains to race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance or disability, unless, for the purpose of national security, information pertaining to national origin is required by the United States, this state or a political subdivision or agency of the United States or this state, or for the purpose of compliance with the public contracts act or any rule,

regulation or laws of the United States or of this state requiring information pertaining to race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance or disability is required by the United States or a political subdivision or agency of the United States; or

(b) cause to be printed or published a notice or advertisement that relates to employment or membership and discloses a preference, limitation, specification, or discrimination based on race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance or disability.

(5) *For an employer, an employment agency or a labor organization, with respect to all employment related purposes, including receipt of benefits under fringe benefit programs, not to treat women affected by pregnancy, childbirth, or disabilities related to pregnancy or childbirth, the same as other persons who are not so affected but who are similar in their ability or inability to work.*

Page 3, line 9, after the comma insert "to"

Page 3, line 10, after "and" insert "to"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, strike "providing for a civil action without"

Page 1, line 5, strike "filing with the department;"

Page 1, line 7, after "1;" insert "363.03, Subdivision 1;"

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. 462: A bill for an act relating to public health; requiring the provision of health record information to certain persons; requiring the transfer of health records under certain conditions; amending Minnesota Statutes 1976, Chapter 144, 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 1976, Chapter 144, is amended by adding a section to read:

[144.335] [ACCESS TO HEALTH RECORDS.] *Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given them.*

(a) "Patient" means a natural person who has received health care services from a provider for treatment of a medical, psy-

chiatric or mental condition, or a person he designates in writing as his representative. Except for minors who have received health care services pursuant to sections 144.341 to 144.347, in the case of a minor, "patient" includes a parent or guardian, or a person acting as a parent or guardian in the absence of a parent or guardian.

(b) "Provider" means (1) any person who furnishes health care services and is licensed to furnish the services pursuant to chapters 147, 148, 150A, 151 or 153; and (2) a health care facility licensed pursuant to chapters 144 or 144A.

Subd. 2. [PATIENT ACCESS.] Except as otherwise provided by law, upon request a provider shall supply to a patient complete and current information possessed by that provider concerning any diagnosis, treatment and prognosis of the patient in terms and language the patient can reasonably be expected to understand.

Upon a patient's written request for information, a provider at the expense of the patient shall furnish to the patient: (a) copies of the patient's health record, including but not limited to laboratory reports, x-rays, prescriptions, and other technical information used in assessing the patient's health condition; (b) the pertinent portion of the record relating to a specific condition; or (c) a summary of the record.

If a provider, as defined in subdivision 1, clause (b) (1), reasonably determines that the information is detrimental to the physical or mental health of the patient, or is likely to cause the patient to harm himself or another, he may withhold the information from the patient. The information may be supplied to an appropriate third party or to another provider, as defined in subdivision 1, clause (b) (1). The provider or third party may release the information to the patient.

Subd. 3. [PROVIDER TRANSFERS AND LOANS.] A patient's health record, including but not limited to, laboratory reports, x-rays, prescriptions, and other technical information used in assessing the patient's condition, or the pertinent portion of the record relating to a specific condition, or a summary of the record, shall be furnished to another provider upon the written request of the patient. The written request shall specify the name of the provider to whom the health record is to be furnished. The provider who furnishes the health record or summary may retain a copy of the materials furnished. The patient shall be responsible for the reasonable costs of furnishing the information.

Sec. 2. [EFFECTIVE DATE.] This act is effective the day following final enactment. "

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

Mr. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 41: A bill for an act relating to public safety; requir-

ing fire detection devices in certain residential housing; directing the commissioner of administration to amend the state building code; amending Minnesota Statutes 1976, Section 16.85, Subdivision 1; and Chapter 299F, by adding a section.

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

Page 3, line 3, strike "said"

Page 3, line 4, after "include" insert "buildings containing three or more"

Page 3, line 4, after "flats" strike "and" and insert "or"

Page 3, line 6, strike "1978" and insert "1980"

Page 3, lines 7 and 8, strike the quotation marks

Page 3, line 8, strike "as defined in this section," and insert "and"

Page 3, line 14, before the period insert ", or a single unit used by one or more persons for sleeping and sanitation pursuant to a work practice or labor agreement"

Page 3, line 15, after "building" insert "or portion thereof"

Page 3, line 20, strike "by"

Page 3, line 21, strike "no more than five guests" and insert "or are intended to be used for sleeping purposes by guests and"

Page 3, line 22, strike everything after the period

Page 3, strike line 23

Page 4, line 21, after the comma insert "the owner is responsible for maintenance of the smoke detectors."

Page 4, strike lines 22 to 32

Page 5, strike lines 1 to 7

Page 5, line 12, strike "Nothing in" and "shall"

Page 5, line 12, strike "prohibit" and insert "prohibits"

Page 5, line 13, strike "more stringent"

Page 5, line 14, strike "than" and insert "different from"

Page 5, line 16, before the period insert ", except for subdivision 2 which is effective August 1, 1977"

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

Mr. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 297: A bill for an act relating to group health care plans; requiring written notice to employees before certain em-

ployee health care plans may be terminated; amending Minnesota Statutes 1976, Section 62E.16.

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

Page 1, line 16, after "restrictions" insert "*if the individual insured leaves the group,*"

Page 1, line 17, after "group" insert a comma

Page 1, line 17, strike "for" and insert "upon"

Page 1, line 20, strike "leaving the group"

Page 2, line 2, after "group" insert "*and upon payment of premiums from the date of termination or cancellation*"

Page 2, line 3, strike "person" and insert "employee"

Page 2, line 8, after the period insert:

"Every employer having a policy of group accident and health insurance, group subscriber or contract of coverage by a health maintenance organization shall, upon request, provide the insurer or health maintenance organization a list of the names and addresses of covered employees."

Amend the title as follows:

Page 1, line 2, strike "requiring" and insert "providing right to convert to individual coverage upon termination of"

Page 1, line 3, strike "written notice to employees before"

Page 1, line 4, strike "may be terminated"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1015: A bill for an act relating to the environment; establishing a program of state assistance for the removal of dilapidated buildings; increasing surcharges on certain building permits; requiring certain units of government to establish dilapidated building removal accounts; appropriating money; amending Minnesota Statutes 1976, Section 16.866.

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

Page 2, line 5, delete everything after "(a)" and insert "*Is blighted or deteriorated*"

Page 2, line 6, delete everything before the comma

Page 2, line 19, delete "all"

Page 2, line 20, delete "codes" and insert "*code requirements for new construction of similar buildings*"

Page 2, line 26, delete "or" and insert a semicolon

Page 2, line 27, before "redevelopment" insert "(5)" Any building included in a"

Renumber the remaining clause

Page 2, line 30, before the second "expense" insert "reasonable"

Page 2, line 31, before "removal" insert "the inventory or"

Page 3, line 1, after "other" insert "reasonable"

Page 3, line 13, after the period insert " "Owner" does not include any housing and redevelopment authority."

Page 4, line 1, delete everything after "removal"

Page 4, line 2, delete everything before the period

Page 4, line 16, delete "July" and insert "January"

Page 4, delete lines 31 and 32

Page 5, delete lines 1 to 16 and insert:

"Subd. 2. Upon removal of a dilapidated building, the unit of government causing the removal shall have a lien on the property for the full amount of the expenses of removal. The lien shall attach at the time the first visible signs of removal occur and shall be preferred over every subsequent encumbrance except a lien for taxes or a mortgage securing an advance of funds used to improve the property. The unit of government shall within 60 days of completion of the removal file with the county recorder a lien notice identifying the owner, the affected property, and the amount of the claim. Failure to file the notice within 60 days shall invalidate the lien. No fee shall be required for the filing. The lien shall be enforceable if the property is sold or transferred by gift to a private party within ten years of completion of the dilapidated building's removal. If the sale or transfer occurs within five years of the building's removal, the full amount of the expenses of removal shall be recovered. In each succeeding year the amount which may be recovered shall be reduced by 20 percent of the original sum. If the owner constructs a new building on the property within five years of completion of removal, the lien shall thereupon expire. The lien may be enforced by the unit of government against any subsequent purchaser or grantee in the manner provided by Minnesota Statutes, Sections 514.10 to 514.15. Any funds recovered pursuant to this section in excess of non-reimbursed expenses of removal and expenses incurred to enforce the lien shall be remitted by the unit of government to the agency for deposit to the credit of the general fund."

Page 5, after line 27 insert

"Subd. 5. The owner of each dilapidated building shall in a space provided on the surrender form list all wells known to exist on the property and all wells whose abandonment is contemplated

as part of the removal. The agency shall notify the state board of health if any well is abandoned as a result of a removal."

Page 5, line 31, delete everything after "removal"

Page 5, line 32, delete everything before the period

Page 7, after line 6, insert

"This section expires January 1, 1983, and any funds remaining unencumbered and unexpended as of that date in any account maintained pursuant to this section shall be remitted to the commissioner for deposit to the credit of the general fund."

Page 7, line 15, after the period insert

"Subd. 1a. During the period commencing July 1, 1977, and ending June 30, 1982,"

Page 8, line 12, after the period insert *"During the period commencing July 1, 1977, and ending June 30, 1982,"*

Page 8, after line 26, insert:

"Subd. 3. Commencing July 1, 1982, the surcharge shall be computed as follows:

Where the fee for the permit issued is fixed in amount the surcharge shall be equivalent to ½ mill (.0005) of such fee or 50 cents, whichever amount is greater. For all other permits, the surcharge shall be equivalent to ½ mill (.0005) of the valuation of the structure, addition or alteration. 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. 9. [174.21] [COMMISSIONER OF TRANSPORTATION; AUTHORITY TO REMOVE DILAPIDATED BUILDINGS.]
Subdivision 1. The commissioner of transportation may raze and remove any dilapidated building as defined in section 2 from areas adjacent to the trunk and interstate highway system if all of the following conditions have been met:

(a) The dilapidated building is visible from the travelled way of a trunk or interstate highway;

(b) All owners as defined in section 2 have agreed in writing to the razing and removal of the dilapidated building; and

(c) The dilapidated building is not located within the incorporated limits of a city or home rule charter city having a population of more than 10,000 inhabitants.

Subd. 2. Upon removal of a dilapidated building by the commissioner, the state shall have a lien on the property for the full amount of the expenses of removal. The lien shall attach at the time the first visible signs of removal occur and shall be preferred

over every subsequent encumbrance except a lien for taxes or a mortgage securing an advance of funds used to improve the property. The commissioner shall within 60 days of completion of the removal file with the county recorder of the county wherein the property is located a lien notice identifying the owner, the affected property, and the amount of the claim. Failure to file the notice within 60 days shall invalidate the lien. No fee shall be required for the filing. The lien shall be enforceable if the property is sold or transferred by gift to a private party within ten years of completion of the dilapidated building's removal. If the sale or transfer occurs within five years of the building's removal, the full amount of the expenses of removal shall be recovered. In each succeeding year the amount which may be recovered shall be reduced by 20 percent of the original sum. If the owner constructs a new building on the property within five years of completion of removal, the lien shall thereupon expire. The lien may be enforced by the commissioner against any subsequent purchaser or grantee in the manner provided by Minnesota Statutes, Sections 514.10 to 514.15. Any funds recovered pursuant to this subdivision shall, after deduction of the costs of enforcing the lien, be deposited to the credit of the fund from which the original removal expense moneys were appropriated."

Page 8, line 32, after the period, insert "The approved complement of the agency is increased by two persons."

Page 9, line 1, before "This" insert "Section 7 is effective July 1, 1977. The remaining provisions of"

Page 9, line 1, delete "is" and insert "are"

Page 9, line 2, delete "its"

Renumber the remaining sections accordingly

Further, amend the title as follows:

Page 1, line 7, after "accounts;" insert "authorizing the commissioner of transportation to remove certain dilapidated buildings;"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 665: A bill for an act relating to pollution; requiring the director of the Minnesota environmental education board to be appointed by the governor; prohibiting littering; prescribing the powers and duties of the commissioner of transportation in regard thereto; requiring litter bags in certain vehicles and watercraft and litter receptacles in public places; prescribing a litter license fee on certain manufacturers, wholesalers, distributors, and retailers; prescribing penalties; appropriating money; amending Minnesota Statutes 1976, Sections 116E.03, Subdivisions 7, 7a and 8; and 174.02, Subdivision 2; and Chapter 174, by adding sections; repealing Minnesota Statutes 1976, Sections 85.20, Subdivision 6; 169.42; and 609.68.

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

Page 4, line 1, after "quarts" insert "*intended for the temporary storage of litter*"

Page 4, line 7, strike "*boat, ship, vessel,*" and insert "*watercraft required to be licensed pursuant to section 361.03, subdivision 3*"

Page 4, strike lines 8 and 9

Page 5, line 15, after "*litter*" insert "*in any public place or*"

Page 5, line 17, strike "*and*" and insert "*or*"

Page 5, line 23, strike "*and*" and insert "*or*"

Page 6, line 19, after "*that*" insert "*quantity and composition*"

Page 6, line 20, strike "*approved*" and insert "*a*"

Page 6, line 20, strike "*bags*" and insert "*bag*"

Page 7, line 28, after "*may*" insert "*stay imposition or execution of sentence and may, as a condition of probation,*"

Page 8, line 23, before "*The*" insert "*Subdivision 1.*"

Page 8, line 25, strike "*1978*" and insert "*1977*"

Page 9, line 10, strike "*following*"

Page 9, line 11, strike the colon and insert "*listed in subdivision 2.*"

Page 9, after line 11, insert:

"Subd. 2. Only the following products including packages, wrappings and containers shall constitute litter for the purposes of section 18."

Page 10, line 1, after "*17*" insert "*, subdivision 2.*"

Page 10, line 2, strike "*\$25 per*" and insert "*.017 percent of*"

Page 10, line 3, strike "*\$150,000*"

Page 10, line 3, after "*sales*" insert "*in excess of \$150,000*"

Page 10, line 7, strike "*31*" and insert "*25*"

Page 10, line 8, after "*annually*" insert "*and administered*"

Page 10, line 11, strike "*tax*" and insert "*fee*"

Page 10, line 15, after the colon insert "*70*"

Page 10, line 16, after the comma insert "*29*"

Page 10, line 17, after "*and*" insert "*one*"

Page 10, strike lines 19 to 23 and insert:

"Sec. 19. [COMMISSIONER OF REVENUE; RULES.] The commissioner of revenue may by rules adopted pursuant to chapter

15 further define and limit the categories listed in section 17, subdivision 2. In promulgating any rules, the commissioner shall be guided by the following standards:

(1) It is the purpose of sections 5 to 19 to accomplish effective control of litter within this state;

(2) It is the purpose of sections 5 to 19 to impose the litter license fee on those businesses and industries manufacturing, wholesaling, distributing, or retailing products and the packages, wrapping, or containers thereof that contribute to the litter problem within this state."

Page 10, line 30, after "pickup" insert "in 1979" and after the dollar sign insert "1,200,000"

Page 11, line 2, after "recovery" insert "369,000"

Page 11, line 5, after "act" insert "600,000"

Page 11, after line 5, insert "The approved complement of the department of transportation is increased by one person."

Page 11, line 12, after "projects" insert "416,000"

Page 11, line 13, after "program" insert "193,321. \$51,385 for fiscal 1978 and \$90,519 for fiscal 1979 is not available for expenditure and four complement positions are not approved, until after a final court determination that the program is legal. None of these amounts shall be expended nor shall the positions be filled except with the approval of the governor after consultation with the legislative advisory commission.

(c) For automobile recycling 300,000"

Page 11, line 15, after the dollar sign insert "15,000"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1201: A bill for an act relating to water resources; creating a water planning board; prescribing its duties; regulating the appropriation and use of water; establishing emergency restrictions on the use of state waters for irrigation and other purposes; establishing procedures for the processing of irrigation permits; requiring municipal water supply authorities to conserve water during shortages; appropriating money; amending Minnesota Statutes 1976, Sections 105.41, Subdivisions 1, 1a and by adding a subdivision; 105.415; 105.44, Subdivisions 1, 2, 3, 4, 5, 6, 8, and 10; 105.462; 105.482, Subdivisions 3 and 5; 156A.07, Subdivision 4; and Chapter 105, by adding a section.

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

Page 2, line 8, strike "The chairperson"

Page 2, strike line 9

Page 2, line 10, strike "to section 15.0575."

Page 11, line 25, strike "projects" and insert "project's"

Page 11, line 28, strike "assessments" and insert "assessment"

Page 16, line 16, strike "in each 40 acre tract" and insert "for the purpose of locating the site of the proposed production well"

Page 16, line 17, strike "proposed for irrigation"

Page 17, line 12, after "influence" insert "which were reported pursuant to section 156A.07"

Page 17, line 12, after "with" insert "readily"

Page 18, line 2, after "available" insert a comma

Page 19, line 26, after "rules" insert "pursuant to section 15.0412, subdivision 5"

Page 20, line 4, strike "16" and insert "18"

Page 20, line 4, strike "19" and insert "21"

Page 20, line 25, strike "\$270,000" and insert "\$135,000"

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. 1610 and 733 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1610	1490				
733	738				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1610 be amended as follows:

Page 2, line 7, delete "4,871" and insert "4,868"

Page 2, line 8, delete "4,837" and insert "4,834"

Page 2, line 23, delete ", and" and insert a period

Page 2, delete lines 24 to 27

Page 2, line 30, delete "3,250,111 3,294,003" and insert "2,957,989 2,958,650"

Delete page 2, line 43 to page 3, line 11 and insert

"Subd. 4. Highway Development Support	42,562,058	42,114,384
Subd. 5. Research and Standards	961,695	962,441
Subd. 6. Highway Maintenance		
(a) Maintenance Operations	64,815,293	66,148,967
Preventive maintenance of the trunk highway system shall be continued at a level at least equal to that currently provided.		
(b) Equipment	7,287,343	5,612,120"
Page 3, line 14, delete "312,703	317,392"	and insert
"283,584	283,671"	
Page 3, delete lines 38 to 40 and insert		
(a) Administrative Support	5,788,433	5,807,485
(b) Program Management	582,387	582,882
(c) Legal Services	505,285	505,514"
Page 4, delete lines 1 to 11		
Renumber subdivisions in sequence		
Delete page 4, lines 32 to 37 and insert		
(a) Construction Grants	7,074,923	6,074,923
(b) Maintenance Grants	1,001,407	1,001,407"
Page 4, line 45, delete "402,265	405,609"	and insert
"365,026	363,286"	
Page 5, line 8, after "(5)" insert ", except that, in the case of any airport project undertaken by the city of Bemidji or the city of Brainerd for which federal money is used to pay 90 percent of the costs of the project, the city shall not be required to pay more than five percent of the cost of the project and these appropriations may be expended to pay the remaining five percent of the cost."		
Page 5, delete lines 48 to 51 and insert		
(a) Safety Education	50,931	50,931
(b) Aviation Regulation	208,808	210,105
Subd. 3. Administrative Support	228,972	231,943"
Page 6, delete lines 7 to 31 and renumber the subdivisions in order		
Page 7, delete lines 1 to 5 and insert		
"Subdivision 1. Transit Improvement		
(a) Planning and Programming	206,434	206,434

(b) Public Transit Assistance Grants and Expenses	14,210,000	18,360,000
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The appropriation in (b) is from the general fund.

The state planning agency shall review the past, present, and future feasibility studies and work programs prepared for the St. Paul downtown people mover demonstration project in order to determine whether all reasonable and prudent alternatives relating to the project have been adequately considered and whether all relevant and material questions relating to the project have been asked. Where the agency finds that an alternative has not been adequately considered or a question has not been asked, it shall direct the project management board to consider the alternative or to ask the question and to provide the agency with the necessary additional information. The sums of \$39,328 in fiscal 1978 and \$39,414 in fiscal 1979 are appropriated from the general fund to the state planning agency for supervision of the St. Paul downtown people mover demonstration project. The approved complement of the state planning agency is increased by two unclassified persons.

Subd. 2. Rail Service Improvement

(a) Planning and Programming	191,000	191,000"
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Page 7, line 12, delete the second "650,000" and insert "-0."

Delete page 7, line 13 to page 8, line 33, and insert

"The appropriation in (c) is from the general fund.

No money shall be transferred into or added to this appropriation, whether from a contingent account or otherwise.

No money shall be expended for the Arrowhead Amtrak rail passenger service after June 30, 1978."

Page 8, line 37, delete "appropriation in (c) above" and insert "this appropriation"

Page 9, delete lines 6 to 11 and insert

"Subdivision 1. Common Carrier Rate Regulation	70,624	70,849
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Subd. 2. Common Carrier Route and Schedule Approval	397,511	369,495
Subd. 3. Rail Crossing and Safety Standards	41,856	42,006"

Page 9, delete lines 25 to 39 and insert

"except to the appropriation for highway maintenance in section 3, subdivision 5, and then only with the approval of the governor after consultation with the legislative advisory commission. No transfer shall be made from the appropriation for debt service in section 3, subdivision 9, to any other appropriation. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives. The commissioner of transportation shall keep records and report to the legislature on January 1, 1979 the relationship between the appropriations made by this act and the purposes for which the money is expended and encumbered."

Page 9, line 50, delete the comma and insert "or"

Page 10, lines 1 and 2, delete "or to accelerate highway development"

Page 10, line 7, delete "\$1,056,984" and insert "\$853,737"

Page 10, line 8, delete "\$943,168" and "\$856,265"

Page 10, delete lines 16 to 21

Page 10, line 22, delete "\$959,190" and insert "\$907,425"

Page 10, line 23, delete "\$951,912" and insert "\$879,784"

Page 10, delete lines 31 to 35 and insert

"Sec. 10. [COMPUTER SYSTEM DEVELOPMENT.] *In all cases where an appropriation made in this act includes money for computer system development, development shall not proceed until the project has been reviewed using the PRIDE system. When the PRIDE phase I review has been completed, the project shall be presented to the commissioner of administration for his approval or rejection. Before making his decision, the commissioner shall consult with the appropriate subcommittee or division of the committee on finance of the senate and the committee on appropriations of the house of representatives and receive their recommendations on the project. A recommendation is advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation. If the project is rejected, the commissioner shall notify the commissioner of finance, who shall promptly cancel the unencumbered balance of the appropriation allotted for development of the project. If an appropriation in this act for either year for computer systems development is insufficient, the appropriation for the other year is available for it.*"

Delete page 13, line 21 to page 14, line 3

Page 14, delete lines 5 and 6 and insert "161.50; and 219.401, are repealed."

Renumber the sections in sequence

Further, amend the title, as follows:

Line 6, delete "161.125, Subdivision 1;"

Line 8, delete "161.125, Subdivision 2;"

Delete line 9 and insert "161.50; and 219.401."

And when so amended, H. F. No. 1610 will be identical to S. F. No. 1490 and further recommends that H. F. No. 1610 be given its second reading and substituted for S. F. No. 1490 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 733 be amended as follows:

Page 1, line 22, before "and" delete the comma

Page 2, line 10, before "and" delete the comma

Page 2, line 32, after "1979" delete the comma

Page 3, line 5, delete "(a)" and insert "1."

Page 3, line 6, delete "(b)" and insert "2."

Page 3, line 7, delete "(c)" and insert "3."

Page 3, line 8, delete "[EFFECTIVE DATE.]"

Further, amend the title

Line 13, delete "design,"

And when so amended, H. F. No. 733 will be identical to S. F. No. 738 and further recommends that H. F. No. 733 be given its second reading and substituted for S. F. No. 738 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. 1184 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		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1184	1262				

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. 856 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
856	1335				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 856 be amended as follows:

Page 1, line 14, after "*with*" insert "*dependent*"

Page 1, line 14, delete "*under age 21*" and insert "*as defined in Minnesota Statutes 1976, Section 256.12*"

And when so amended, H. F. No. 856 will be identical to S. F. No. 1335 and further recommends that H. F. No. 856 be given its second reading and substituted for S. F. No. 1335 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 Subcommittee on Bill Scheduling, to which were referred

S. F. Nos. 120, 1422, 783, 867, 446, 458, 1337, 1087, and H. F. Nos. 259, 1054, 1094, 829, and 972, makes the following report:

That S. F. Nos. 120, 1422, 783, 867, 446, 458, 1337, 1087, and H. F. Nos. 259, 1054, 1094, 829, and 972 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the subcommittee on which floor action was requested.

Report adopted.

SECOND READING OF SENATE BILLS

S. F. No. 1460 was read the second time.

S. F. Nos. 1027, 655, 1137, 418, 597, 889, 1015, 665 and 1201 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1610, 733, 1184 and 856 were read the second time.

H. F. Nos. 257, 954, 676, 1113, 314, 316, 1015, 462, 41 and 297 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Wegener moved that H. F. No. 1386 be withdrawn from the

Committee on Agriculture and Natural Resources and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1406 now on General Orders. The motion prevailed.

Mr. Lewis moved that the name of Mrs. Staples be added as co-author to S. F. No. 680. The motion prevailed.

Mr. Perpich moved that the name of Mr. Lessard be added as co-author to S. F. No. 1284. The motion prevailed.

Mr. Solon moved that the name of Mr. Ulland, J. be added as co-author to S. F. No. 1395. The motion prevailed.

Mr. Willet moved that the report from the Committee on Agriculture and Natural Resources, reported May 5, 1977, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Willet moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Willet moved that in accordance with the report from the Committee on Agriculture and Natural Resources, reported May 5, 1977, the Senate, having given its advice, do now consent to and confirm the appointment of:

STATE SOIL AND WATER CONSERVATION BOARD

Thomas R. Schulz, Route 1, Box 140, Sebeka, Wadena County, effective March 22, 1977, for an indeterminate term.

The motion prevailed. So the appointment was confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Pursuant to Rule 21, Mr. Moe moved that the following members be excused for a Conference Committee on H. F. No. 1510:

Messrs. Moe, Ogdahl, Tennessen, Stumpf, and Keefe, J. The motion prevailed.

Mr. Tennessen moved that the report from the Committee on Commerce, reported May 9, 1977, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Tennessen moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Tennessen moved that in accordance with the report from the Committee on Commerce, reported May 9, 1977, the Senate, having given its advice, do now consent to and confirm the appointments of:

CABLE COMMUNICATIONS BOARD

Gertrude Ulrich, 7601 Aldrich Avenue South, Richfield, Henne-

pin County, effective June 30, 1976, for a term expiring January 1, 1980.

Ms. Mary S. Burich, 541 Juergens Road, Hutchinson, McLeod County, effective December 16, 1976, for a term expiring January 1, 1980.

The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Tennesen moved that the report from the Committee on Commerce, reported May 9, 1977, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Tennesen moved that the foregoing report be now adopted. The motion prevailed.

CONFIRMATION

Mr. Tennesen moved that in accordance with the report from the Committee on Commerce, reported May 9, 1977, the Senate, having given its advice, do now consent to and confirm the appointment of:

DEPARTMENT OF COMMERCE

COMMISSIONER OF INSURANCE

Berton W. Heaton, 838-22nd Ave. North, South St. Paul, Dakota County, effective January 1, 1977, for a term expiring the first Monday in January, 1983.

The motion prevailed. So the appointment was confirmed.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Senate Calendar and Consent Calendar and waive the lie-over requirements. The motion prevailed.

THIRD READING OF HOUSE BILLS

H. F. No. 787: A bill for an act relating to savings banks; allowing savings banks to establish negotiable order of withdrawal accounts; imposing reserve requirements; amending Minnesota Statutes 1976, Chapter 50, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Perpich	Spear
Ashbach	Gearty	Lessard	Peterson	Staples
Bang	Gunderson	Luther	Pillsbury	Stokowski
Benedict	Hanson	McCutcheon	Purfeerst	Strand
Bernhagen	Hughes	Menning	Renneke	Ulland, J.
Borden	Humphrey	Merriam	Schaaf	Vega
Brataas	Jensen	Milton	Schmitz	Wegener
Chmielewski	Johnson	Nelson	Setzpfandt	Willet
Coleman	Keefe, S.	Nichols	Sieloff	
Davies	Kirchner	Olhoft	Sikorski	
Dieterich	Kleinbaum	Olson	Sillers	
Engler	Knutson	Penny	Solon	

So the bill passed and its title was agreed to.

H. F. No. 1364: A bill for an act relating to the attorney general; changing appointments; removing restrictions on assignment of deputy and assistant attorneys general; amending Minnesota Statutes 1976, Sections 8.02 and 268.12, Subdivision 5; repealing Minnesota Statutes 1976, Sections 8.023; 8.024; 8.026, and 84.025, Subdivision 6.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Peterson	Spear
Ashbach	Frederick	Laufenburger	Pillsbury	Staples
Bang	Gearty	Lessard	Purfeerst	Stokowski
Benedict	Gunderson	Luther	Renneke	Strand
Bernhagen	Hanson	McCutcheon	Schaaf	Ulland, J.
Borden	Hughes	Menning	Schmitz	Vega
Brataas	Humphrey	Merriam	Schrom	Wegener
Chmielewski	Jensen	Nelson	Setzpfandt	Willet
Coleman	Johnson	Nichols	Sieloff	
Davies	Keefe, S.	Olhoft	Sikorski	
Dieterich	Kirchner	Penny	Sillers	
Dunn	Kleinbaum	Perpich	Solon	

So the bill passed and its title was agreed to.

H. F. No. 970: A bill for an act relating to natural resources; amending certain laws concerning minnows; amending Minnesota Statutes 1976, Sections 97.40, Subdivision 27; 97.45, Subdivision 15; 97.55, Subdivision 13; 98.46, Subdivisions 5 and 17; and 101.42, Subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 29 and nays 29, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Laufenburger	Penny	Schmitz
Borden	Engler	Lessard	Perpich	Sikorski
Chmielewski	Frederick	McCutcheon	Peterson	Stokowski
Coleman	Gearty	Merriam	Pillsbury	Ulland, J.
Davies	Hanson	Nelson	Renneke	Vega
Dieterich	Hughes	Nichols	Schaaf	

Those who voted in the negative were:

Ashbach	Humphrey	Knoll	Olson	Solon
Bang	Jensen	Knutson	Purfeerst	Spear
Benedict	Johnson	Luther	Schrom	Staples
Bernhagen	Keefe, S.	Menning	Setzepfandt	Strand
Brataas	Kirchner	Milton	Sieloff	Wegener
Gunderson	Kleinbaum	Olhoff	Sillers	

So the bill failed to pass.

H. F. No. 140: A bill for an act relating to natural resources; imposing limits on the issuance of licenses for commercial fishing on Lake Superior; providing maximum amounts of gill net to be licensed in Lake Superior; amending Minnesota Statutes 1976, Sections 98.46, Subdivision 12; and 102.28, Subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knoll	Olson	Sikorski
Ashbach	Frederick	Knutson	Penny	Sillers
Bang	Gearty	Laufenburger	Perpich	Solon
Benedict	Gunderson	Lessard	Peterson	Spear
Bernhagen	Hanson	Luther	Purfeerst	Staples
Borden	Humphrey	McCutcheon	Renneke	Stokowski
Brataas	Jensen	Menning	Schaaf	Strand
Chmielewski	Johnson	Merriam	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Kleinbaum	Olhoff	Sieloff	Willet

So the bill passed and its title was agreed to.

H. F. No. 384: A bill for an act relating to interim claims against the state; appropriating moneys for the payment thereof.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Bernhagen	Davies	Frederick	Humphrey
Ashbach	Borden	Dieterich	Gearty	Johnson
Bang	Brataas	Dunn	Gunderson	Keefe, S.
Benedict	Chmielewski	Engler	Hanson	Kirchner

Kleinbaum	Menning	Perpich	Schrom	Staples
Knoll	Merriam	Peterson	Setzepfandt	Stokowski
Knutson	Nelson	Pillsbury	Sieloff	Strand
Laufenburger	Nichols	Purfeerst	Sikorski	Ulland, J.
Lessard	Olhoft	Renneke	Sillers	Vega
Luther	Olson	Schaaf	Solon	Wegener
McCutcheon	Penny	Schmitz	Spear	Willet

So the bill passed and its title was agreed to.

H. F. No. 541: A bill for an act relating to labor; prohibiting the deduction of certain losses from wages without authorization by the employee; providing a cause of action for wrongful deduction.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Penny	Sikorski
Bang	Gearty	Laufenburger	Perpich	Sillers
Benedict	Gunderson	Lessard	Peterson	Solon
Bernhagen	Hanson	Luther	Pillsbury	Spear
Borden	Hughes	McCutcheon	Purfeerst	Staples
Brataas	Humphrey	Menning	Renneke	Stokowski
Chmielewski	Jensen	Merriam	Schaaf	Strand
Davies	Johnson	Nelson	Schmitz	Ulland, J.
Dieterich	Keefe, S.	Nichols	Schrom	Vega
Dunn	Kirchner	Olhoft	Setzepfandt	Wegener
Engler	Kleinbaum	Olson	Sieloff	Willet

Messrs. Ashbach and Knutson voted in the negative.

So the bill passed and its title was agreed to.

CONSENT CALENDAR

H. F. No. 1194: A bill for act relating to the city of Marshall; authorizing the issuance of general obligation airport bonds.

With the unanimous consent of the Senate, Mr. Nichols moved to amend H. F. No. 1194, as amended pursuant to Rule 49, adopted by the Senate May 9, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1085.)

Page 2, line 7, after "United States" insert "and the state of Minnesota"

The motion prevailed. So the amendment was adopted.

H. F. No. 1194 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Penny	Sikorski
Ashbach	Gearty	Knutson	Perpich	Sillers
Bang	Gunderson	Laufenburger	Peterson	Solon
Benedict	Hanson	Lessard	Pillsbury	Spear
Bernhagen	Hughes	Luther	Purfeerst	Staples
Brataas	Humphrey	McCutcheon	Renneke	Stokowski
Chmielewski	Jensen	Menning	Schaaf	Strand
Davies	Johnson	Merriam	Schmitz	Ulland, J.
Dieterich	Keefe, S.	Nelson	Schrom	Vega
Dunn	Kirchner	Nichols	Setzepfandt	Wegener
Engler	Kleinbaum	Olhoff	Sieloff	Willet

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

H. F. No. 1471: A bill for an act relating to aeronautics; requiring boards of adjustment to grant or deny applications for zoning variances within six months; authorizing the commissioner of transportation to develop an air transportation system; amending Minnesota Statutes 1976, Section 360.015, Subdivision 14; 360.017, Subdivision 1; and 360.067, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 49 and nays 5, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knoll	Olson	Solon
Bang	Frederick	Laufenburger	Penny	Spear
Benedict	Gearty	Lessard	Perpich	Staples
Bernhagen	Gunderson	Luther	Peterson	Stokowski
Brataas	Hanson	McCutcheon	Pillsbury	Strand
Chmielewski	Hughes	Menning	Purfeerst	Ulland, J.
Coleman	Jensen	Merriam	Renneke	Vega
Davies	Johnson	Nelson	Schaaf	Wegener
Dieterich	Keefe, S.	Nichols	Schmitz	Willet
Dunn	Kleinbaum	Olhoff	Setzepfandt	

Those who voted in the negative were:

Kirchner	Schrom	Sieloff	Sikorski	Sillers
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So the bill passed and its title was agreed to.

H. F. No. 903: A bill for an act relating to public transportation; making state commuter vans available for use by blind vending operators working on state property; amending Minnesota Statutes 1976, Section 16.756.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knoll	Olson	Sillers
Ashbach	Frederick	Knutson	Penny	Spear
Bang	Gearty	Laufenburger	Perpich	Staples
Benedict	Gunderson	Lessard	Pillsbury	Stokowski
Bernhagen	Hanson	Luther	Purfeerst	Strand
Brataas	Hughes	McCutcheon	Renneke	Ulland, J.
Chmielewski	Jensen	Menning	Schmitz	Vega
Coleman	Johnson	Merriam	Schrom	Wegener
Davies	Keefe, S.	Nelson	Setzerpfandt	Willet
Dieterich	Kirchner	Nichols	Sieloff	
Dunn	Kleinbaum	Olhoft	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 817: A bill for an act relating to highway traffic regulations; weight limitations; providing that weight increases for haulers of raw and unfinished forest products shall be statewide during certain periods; amending Minnesota Statutes 1976, Section 169.83, Subdivision 1.

Pursuant to Rule No. 9, there being three objectors, H. F. No. 817 was stricken from the Consent Calendar and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 65 a Special Order to be heard immediately.

S. F. No. 65: A bill for an act relating to crimes and corrections; sentencing and post conviction disposition of criminal offenders; transferring the powers and duties of the Minnesota corrections board to the commissioner of corrections; abolishing the Minnesota corrections board; providing for determinate sentencing; providing for a mutual agreement program; appropriating money; amending Minnesota Statutes 1976, Sections 152.15, Subdivisions 1, 2 and 3; 299F.811; 299F.815, Subdivision 1; 401.13; 609.03; 609.10; 609.135, Subdivisions 1 and 2; 609.145, Subdivision 1; 609.165, Subdivision 2; 609.17, Subdivision 4; 609.175, Subdivision 2; 609.18; 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; 609.31; 609.32; 609.342; 609.343; 609.344; 609.345; 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; 609.466; 609.48, Subdivisions 1 and 4; 609.485, Subdivision 4; 609.495, Subdivision 1; 609.498, Subdivision 1; 609.52, Subdivisions 2 and 3; 609.521; 609.525, Subdivision 1; 609.53, Subdivisions 1 and 3; 609.54; 609.55, Subdivision 2; 609.551, Subdivision 1; 609.561; 609.562; 609.563, Subdivision 1; 609.576; 609.58, Subdivision 2; 609.59; 609.595, Subdivision 1; 609.60; 609.611; 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; and Chapter 609,

by adding a section; repealing Minnesota Statutes 1976, Sections 152.15, Subdivisions 4 and 5; 241.045; 242.24; 243.06; 243.14; 243.18; 246.43; 609.11; 609.155; 609.16; 609.293, Subdivisions 2, 3, and 4; and 609.346.

Mr. McCutcheon moved to amend S. F. No. 65 as follows:

Page 6, lines 15 and 21, strike "*of corrections*"

Page 8, line 20, after the period insert:

"If an inmate violates a disciplinary offense rule promulgated pursuant to subdivision 2, good time earned prior to the violation may be taken away or the inmate may be required to serve an appropriate portion of his sentence after the violation without earning good time."

Page 8, line 24, strike "*denial*" and insert "*the loss*"

Page 8, line 25, strike "*denied*" and insert "*lost*"

Page 8, line 27, strike "*denial*" and insert "*loss*"

Page 8, line 27, strike "*30 days*" and insert "*one year*"

Page 8, line 27, strike "*In no case shall*"

Page 8, line 28, strike "*good time earned be taken away.*"

Page 8, lines 28 and 30, strike "*denial*" and insert "*loss*"

Page 11, lines 1, 6, 8, and 17, strike "*100*" and insert "*101*"

Page 14, line 7, strike "*40*" and insert "*50*"

Page 14, line 7, after "*increased*" insert "*by up to 14 years*"

Page 14, line 8, strike "*six*" and insert "*seven*"

Page 14, line 9, strike "*20*" and insert "*40*"

Page 14, line 9, after "*increased*" insert "*by up to 12 years*"

Page 14, line 10, strike "*three*" and insert "*six*"

Page 14, lines 11 and 13, after "*increased*" insert "*by up to four years*"

Page 14, line 15, after "*increased*" insert "*by up to three years*"

Page 14, line 16, strike "*one year*" and insert "*18 months*"

Page 14, lines 18 and 19, after "*increased*" insert "*by up to two years*"

Page 14, line 21, strike "*or fewer*"

Page 14, line 22, after "*increased*" insert "*by up to one year*"

Page 14, line 22, strike the period and insert a semicolon

Page 14, after line 22 insert:

"(9) A statutory sentence of three years may be increased by up to one year or decreased by up to six months;

(10) A statutory sentence of two years may be increased or decreased by up to six months;

(11) A statutory sentence of a year and a day may be increased by up to six months."

Page 15, line 1, strike "a" and insert "an increased or decreased"

Page 15, line 2, strike "which has been increased or decreased pursuant to"

Page 15, line 3, strike "subdivision 1"

Page 16, line 7, strike "the failure" and insert "any of the following:"

Page 16, after line 7 insert

"(a) the failure to commit the defendant to the custody of the commissioner of corrections;

(b) the failure to increase a statutory sentence pursuant to subdivision 1; or

(c) the failure"

Page 16, line 15, after the second "to" insert "commit the defendant to the custody of the commissioner of corrections, the failure to impose an increased sentence or the failure to"

Page 16, line 18, strike "to impose an extended term"

Page 23, line 26, strike "40" and insert "50"

Page 24, line 13, strike "20" and insert "40"

The motion prevailed. So the amendment was adopted.

Mr. Knutson moved to amend S. F. No. 65 as follows:

Page 18, line 8, strike "second or subsequent"

Page 18, line 11, strike ". Each conviction must arise from a"

Page 18, line 12, strike "separate course of conduct"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 21 and nays 28, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Knutson	Schrom	Willet
Bang	Dunn	Lessard	Setzepfandt	
Benedict	Engler	Peterson	Sieloff	
Bernhagen	Frederick	Pillsbury	Sillers	
Brataas	Kirchner	Renneke	Strand	

Those who voted in the negative were:

Borden	Hanson	Laufenburger	Nelson	Spear
Coleman	Hughes	Lewis	Olhoft	Staples
Davies	Humphrey	Luther	Olson	Stokowski
Dieterich	Johnson	McCutcheon	Purfeerst	Ulland, J.
Gearty	Keefe, S.	Menning	Schaaf	
Gunderson	Knoll	Milton	Schmitz	

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

Pursuant to Rule 21, Mr. Humphrey moved that the following members be excused for a Conference Committee on S. F. No. 32:

Messrs. Humphrey; Keefe, S.; Willet; Dunn and Mrs. Staples. The motion prevailed.

Mr. Knutson moved to amend S. F. No. 65 as follows:

Page 14, line 11, strike "16" and insert "25"

Page 14, line 13, strike "12" and insert "22"

Page 14, line 15, strike "ten" and insert "20"

Page 14, line 17, strike "eight" and insert "12"

Page 14, line 19, strike "six" and insert "ten"

Page 14, line 21, strike "four" and insert "eight"

Page 24, line 27, strike "16" and insert "25"

Page 25, line 2, strike "ten" and insert "20"

Page 25, line 16, strike "six" and insert "ten"

Page 27, line 16, strike "four" and insert "six"

Page 27, line 21, strike "two" and insert "four"

Page 28, line 18, strike "eight" and insert "ten"

Page 32, line 7, strike "eight" and insert "12"

Page 33, line 19, strike "six" and insert "ten"

Page 34, line 32, strike "four" and insert "eight"

Page 35, line 28, strike "two" and insert "six"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 18 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Kirchner	Menning	Schrom
Bang	Chmielewski	Knutson	Peterson	Sieloff
Benedict	Dunn	Laufenburger	Pillsbury	
Bernhagen	Engler	Lessard	Renneke	

Those who voted in the negative were:

Borden	Hughes	Milton	Purfeerst	Stokowski
Coleman	Humphrey	Nelson	Schaaf	Strand
Davies	Johnson	Nichols	Schmitz	Ulland, J.
Dieterich	Knoll	Olhoft	Setzepfandt	Vega
Gearty	Lewis	Olson	Sikorski	
Gunderson	Luther	Penny	Spear	
Hanson	McCutcheon	Perpich	Staples	

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

Mr. Chmielewski moved to amend S. F. No. 65 as follows:

Page 23, line 26, strike "to a term of 40 years" and insert "as provided in section 98"

Page 65, after line 1, insert:

"Sec. 98. Minnesota Statutes 1976, Chapter 609, is amended by adding a section to read:

[609.106] [DEATH SENTENCE; PROCEEDINGS.] *Subdivision 1. Upon conviction or entry of a plea of guilty of a violation of section 26, the court shall conduct a separate sentencing proceeding to determine whether the defendant should be sentenced to death. 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 impaneled 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 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.

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 the time is extended for 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 murder was committed by a person under sentence of imprisonment;

(b) The defendant was previously convicted of another felony involving the use or threat of violence to the person; or

(c) The defendant knowingly created a great risk of death to many persons.

Subd. 7. [MITIGATING CIRCUMSTANCES.] Mitigating circumstances shall be the following:

(a) The defendant has no significant history of prior criminal activity;

(b) The murder was committed while the defendant was under the influence of extreme mental or emotional disturbance;

(c) The defendant acted under extreme duress or under the substantial domination of another person;

(d) 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;

(e) The age of the defendant at the time of the crime.

Sec. 4. Minnesota Statutes 1976, 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. 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.*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon insert "permitting the imposition of the death sentence;"

Page 1, line 35, strike "a section" and insert "sections"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 6 and nays 47, as follows:

Those who voted in the affirmative were:

Chmielewski	Menning	Olson	Renneke	Schrom
Knutson				

Those who voted in the negative were:

Anderson	Dunn	Laufenburger	Penny	Solon
Ashbach	Engler	Lessard	Perpich	Spear
Bang	Gearty	Lewis	Peterson	Staples
Benedict	Gunderson	Luther	Pillsbury	Stokowski
Bernhagen	Hanson	McCutcheon	Purfeerst	Strand
Borden	Hughes	Merriam	Schaaf	Ulland, J.
Brataas	Humphrey	Milton	Schmitz	Vega
Coleman	Johnson	Nelson	Setzepfandt	
Davies	Kirchner	Nichols	Sieloff	
Dieterich	Knoll	Olhoft	Sikorski	

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

Mr. Olson moved to amend S. F. No. 65 as follows:

Page 28, after line 26, insert:

"(2) If the victim is killed, as provided in section 98; or"

Page 28, line 27, strike "(2)" and insert "(3)"

Page 65, after line 1, insert:

"Sec. 98. Minnesota Statutes 1976, Chapter 609, is amended by adding a section to read:

[609.106] [DEATH SENTENCE; PROCEEDINGS.] *Subdivision 1. Upon conviction or entry of a plea of guilty of a violation of section 609.25, subdivision 2, clause (2), the court shall conduct a separate sentencing proceeding to determine whether the defendant should be sentenced to death. 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 impaneled 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 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.

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 the time is extended for 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 murder was committed by a person under sentence of imprisonment;

(b) The defendant was previously convicted of another felony involving the use or threat of violence to the person; or

(c) *The defendant knowingly created a great risk of death to many persons.*

Subd. 7. [MITIGATING CIRCUMSTANCES.] *Mitigating circumstances shall be the following:*

(a) *The defendant has no significant history of prior criminal activity;*

(b) *The murder was committed while the defendant was under the influence of extreme mental or emotional disturbance;*

(c) *The defendant acted under extreme duress or under the substantial domination of another person;*

(d) *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;*

(e) *The age of the defendant at the time of the crime.*

Sec. 4. *Minnesota Statutes 1976, 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. 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 SAFE-KEEPING 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."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon insert "permitting the imposition of the death sentence;"

Page 1, line 35, strike "a section" and insert "sections"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 14 and nays 35, as follows:

Those who voted in the affirmative were:

Bernhagen	Frederick	Lessard	Pillsbury	Schrom
Chmielewski	Jensen	Menning	Purfeerst	Wegener
Engler	Laufenburger	Olson	Renneke	

Those who voted in the negative were:

Benedict	Gearty	Knoll	Nichols	Sikorski
Borden	Gunderson	Knutson	Olhoft	Spear
Brataas	Hanson	Lewis	Penny	Staples
Coleman	Hughes	Luther	Peterson	Stokowski
Davies	Humphrey	McCutcheon	Schmitz	Strand
Dieterich	Johnson	Merriam	Setzepfandt	Ulland, J.
Dunn	Kirchner	Nelson	Sieloff	Vega

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

S. F. No. 65 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 58 and nays 5, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Ogdahl	Spear
Ashbach	Frederick	Laufenburger	Olhoft	Staples
Bang	Gearty	Lessard	Penny	Stokowski
Benedict	Gunderson	Lewis	Perpich	Strand
Bernhagen	Hanson	Luther	Peterson	Stumpf
Borden	Hughes	McCutcheon	Pillsbury	Tennessee
Brataas	Humphrey	Menning	Purfeerst	Ulland, J.
Chmielewski	Johnson	Merriam	Schrom	Vega
Coleman	Keefe, J.	Milton	Setzepfandt	Wegener
Davies	Keefe, S.	Moe	Sieloff	Willet
Dieterich	Kirchner	Nelson	Sikorski	
Dunn	Knoll	Nichols	Solon	

Those who voted in the negative were:

Jensen	Kleinbaum	Olsen	Renneke	Schmitz
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So the bill, as amended, passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 800 a Special Order to be heard immediately.

H. F. No. 800: A bill for an act relating to crimes; regulating the transfer of pistols; requiring a waiting period for pistol transfers; requiring police checks of pistol transferees; prohibiting transfers of pistols to certain persons; providing for transferee permits; prescribing penalties; providing for statewide validity of permits to carry; amending Minnesota Statutes 1976, Sections 609.11, Subdivision 1, and by adding a subdivision; 609.135, Subdivision 1; 624.712, Subdivisions 2 and 4, and by adding a subdivision; 624.714, Subdivision 9, and by adding a subdivision; and Chapter 624, by adding sections; repealing Minnesota Statutes 1976, Section 609.11, Subdivision 2.

CALL OF THE SENATE

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

Anderson	Frederick	Laufenburger	Peterson	Spear
Ashbach	Gearty	Lessard	Pillsbury	Staples
Bernhagen	Gunderson	Lewis	Purfeerst	Strand
Borden	Hughes	Luther	Renneke	Stumpf
Chmielewski	Humphrey	McCutcheon	Schaaf	Ulland, J.
Coleman	Jensen	Menning	Schmitz	Vega
Davies	Johnson	Nelson	Setzepfandt	Wegener
Dieterich	Keefe, S.	Olhoft	Sikorski	Willet
Engler	Kleinbaum	Penny	Solon	

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

Mr. Schrom moved that H. F. No. 800 on Special Orders be stricken and re-referred to the Committee on Judiciary.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 26 and nays 28, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Olson	Setzepfandt
Ashbach	Frederick	Laufenburger	Penny	Sieloff
Bang	Hanson	Lessard	Pillsbury	
Bernhagen	Jensen	Menning	Renneke	
Chmielewski	Kirchner	Nelson	Schmitz	
Dunn	Kleinbaum	Nichols	Schrom	

Those who voted in the negative were:

Benedict	Gearty	Knoll	Perpich	Stokowski
Borden	Gunderson	Lewis	Purfeerst	Strand
Brataas	Hughes	Luther	Sikorski	Ulland, J.
Coleman	Humphrey	McCutcheon	Sillers	Vega
Davies	Johnson	Milton	Spear	
Dieterich	Keefe, S.	Olhoff	Staples	

The motion did not prevail.

Mr. Knutson moved to amend H. F. No. 800, as amended pursuant to Rule 49, adopted by the Senate April 26, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 781.)

Page 7, after line 11, insert:

"Sec. 4. Minnesota Statutes 1976, Section 624.714, Subdivision 5, is amended to read:

Subd. 5. [GRANTING OF PERMITS.] No permit to carry shall be granted to a person unless the applicant:

(a) Is not a person prohibited by section 624.713 from possessing a pistol; *and*

(b) Provides a firearms safety certificate recognized by the department of natural resources, evidence of successful completion of a test of ability to use a firearm supervised by the chief of police or sheriff or other satisfactory proof of ability to use a pistol safely; *and*

(c) ~~Has an occupation or personal safety hazard requiring a permit to carry.~~

Amend the title as follows:

Line 9, after the semicolon insert "624.714, Subdivision 5;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 14 and nays 29, as follows:

Those who voted in the affirmative were:

Bang	Chmielewski	Jensen	Olson	Schmitz
Bernhagen	Engler	Knutson	Pillsbury	Schrom
Brataas	Frederick	Lessard	Renneke	

Those who voted in the negative were:

Benedict	Hughes	Luther	Penny	Spear
Borden	Humphrey	McCutcheon	Perpich	Staples
Davies	Johnson	Merriam	Purfeerst	Stokowski
Dieterich	Keefe, S.	Milton	Sikorski	Strand
Gearty	Laufenburger	Nelson	Sillers	Ulland, J.
Gunderson	Lewis	Olhoft	Solon	

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

Mr. Chmielewski moved to amend H. F. No. 800, as amended pursuant to Rule 49, adopted by the Senate April 26, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 781.)

Page 2, after line 9, insert:

"Sec. 3. Minnesota Statutes 1976, Section 624.714, is amended by adding a subdivision to read:

Subd. 14. Every municipality or county shall be reimbursed by the state the sum of \$25 for each permit it issues under this section."

Page 5, line 7, after the period insert "*Every municipality or county shall be reimbursed by the state the sum of \$25 for each transfer report it processes under this section."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after "persons;" insert "providing for payment to local units of government for issuing permits and processing transfer reports;"

Page 1, line 9, after the semicolon insert "624.714, by adding a subdivision;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Jensen	Pillsbury	Sieloff
Ashbach	Chmielewski	Knutson	Renneke	Sillers
Bang	Dunn	Lessard	Schmitz	Wegener
Benedict	Engler	Menning	Schrom	
Bernhagen	Frederick	Olson	Setzepfandt	

Those who voted in the negative were:

Borden	Hughes	Luther	Perpich	Staples
Coleman	Humphrey	McCutcheon	Peterson	Stokowski
Davies	Johnson	Merriam	Purfeerst	Strand
Dieterich	Keefe, S.	Nelson	Schaaf	Ulland, J.
Gearty	Knoll	Nichols	Sikorski	
Gunderson	Laufenburger	Olhoft	Solon	
Hanson	Lewis	Penny	Spear	

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

Mr. Chmielewski then moved to amend H. F. No. 800, as amended pursuant to Rule 49, adopted by the Senate April 26, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 781.)

Page 2, after line 9, insert:

“Sec. 3. Minnesota Statutes 1976, Section 624.714, is amended by adding a subdivision to read:

Subd. 14. Every municipality or county shall be reimbursed by the state the sum of \$15 for each permit it issues under this section.”

Page 5, line 7, after the period insert “*Every municipality or county shall be reimbursed by the state the sum of \$15 for each transfer report it processes under this section.*”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after “persons;” insert “providing for payment to local units of government for issuing permits and processing transfer reports;”

Page 1, line 9, after the semicolon insert “624.714, by adding a subdivision;”

The question was taken on the adoption of the amendment.

Mr. McCutcheon moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 29 and nays 29, as follows:

Those who voted in the affirmative were:

Anderson	Chmielewski	Kleinbaum	Pillsbury	Sieloff
Ashbach	Dunn	Knutson	Purfeerst	Sillers
Bang	Engler	Lessard	Renneke	Ulland, J.
Benedict	Frederick	Menning	Schmitz	Vega
Bernhagen	Gunderson	Olson	Schrom	Wegener
Brataas	Jensen	Peterson	Setzepfandt	

Those who voted in the negative were:

Borden	Hughes	Lewis	Nichols	Solon
Coleman	Humphrey	Luther	Olhoft	Spear
Davies	Johnson	McCutcheon	Penny	Staples
Dieterich	Keefe, S.	Merriam	Perpich	Stokowski
Gearty	Knoll	Milton	Schaaf	Strand
Hanson	Laufenburger	Nelson	Sikorski	

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

Mr. Menning moved to amend H. F. No. 800, as amended pursuant to Rule 49, adopted by the Senate April 26, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 781.)

Page 2, after line 9, insert:

"Sec. 3. Minnesota Statutes 1976, Section 624.714, is amended by adding a subdivision to read:

Subd. 14. Every municipality or county shall be reimbursed by the state the sum of \$5 for each permit it issues under this section."

Page 5, line 7, after the period insert "*Every municipality or county shall be reimbursed by the state the sum of \$5 for each transfer report it processes under this section.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after "persons;" insert "providing for payment to local units of government for issuing permits and processing transfer reports;"

Page 1, line 9, after the semicolon insert "624.714, by adding a subdivision;"

The question was taken on the adoption of the amendment.

Mr. McCutcheon moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 23 and nays 38, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Jensen	Peterson	Setzepfandt
Ashbach	Chmielewski	Knutson	Pillsbury	Ulland, J.
Bang	Dunn	Menning	Renneke	Wegener
Benedict	Engler	Moe	Schmitz	
Bernhagen	Frederick	Olson	Schrom	

Those who voted in the negative were:

Borden	Humphrey	Luther	Penny	Spear
Coleman	Johnson	McCutcheon	Perpich	Staples
Davies	Keefe, J.	Merriam	Purfeerst	Stokowski
Dieterich	Keefe, S.	Milton	Schaaf	Strand
Gearty	Knoll	Nelson	Sieloff	Stumpf
Gunderson	Laufenburger	Nichols	Sikorski	Tennessee
Hanson	Lessard	Ogdahl	Sillers	
Hughes	Lewis	Olhoft	Solon	

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

Mr. Olhoft moved to amend H. F. No. 800, as amended pursuant to Rule 49, adopted by the Senate April 26, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 781.)

Page 2, after line 9, insert:

"Sec. 3. Minnesota Statutes 1976, Section 624.714, Subdivision 9, is amended to read:

Subd. 9. [CARRYING PISTOLS ABOUT ONE'S PREMISES

OR FOR PURPOSES OF REPAIR, TARGET PRACTICE.] A permit to carry is not required of a person:

(a) To keep or carry about his place of business, dwelling house, premises or on land possessed by him a pistol;

(b) To carry a pistol from a place of purchase to his dwelling house or place of business, or from his dwelling house or place of business to or from a place where repairing is done, to have the pistol repaired;

(c) To carry a pistol between his dwelling house and his place of business;

(d) To carry a pistol in the woods or fields or upon the waters of this state for the purpose of hunting other than protected wild animals or of target shooting in a safe area; or

(e) To transport a pistol in a motor vehicle, snowmobile or boat if the pistol is unloaded, contained in a closed and fastened case, gunbox, or securely tied package. ~~If a motor vehicle, snowmobile or boat does not have an enclosed area, a pistol may be carried in the driver or passenger area as long as the pistol is unloaded and contained in a closed and fastened case, gunbox, or securely tied package. A utility compartment or glove compartment shall be deemed to be within the area occupied by the driver and passengers.~~"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "clarifying the requirements for carrying a pistol in public;"

Page 1, line 9, after the semicolon insert "624.714, Subdivision 9;"

The motion prevailed. So the amendment was adopted.

Mr. Knutson moved to amend H. F. No. 800, as amended pursuant to Rule 49, adopted by the Senate April 26, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 781.)

Page 6, line 28, strike "gross"

Page 7, after line 7, insert:

"(e) A person who makes a false statement in order to become a transferee when he is a convicted felon disqualified from possessing a pistol under Minnesota Statutes 1976, Section 624.713, Subdivision 1, Clause (b), shall be guilty of a felony. Prosecution shall be required in all cases."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 21 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Keefe, J.	Pillsbury	Ulland, J.
Bang	Dunn	Knutson	Renneke	
Benedict	Engler	Menning	Schmitz	
Bernhagen	Frederick	Olson	Schrom	
Brataas	Jensen	Peterson	Sillers	

Those who voted in the negative were:

Coleman	Humphrey	McCutcheon	Penny	Staples
Davies	Johnson	Merriam	Perpich	Strand
Dieterich	Keefe, S.	Milton	Purfeerst	Stumpf
Gearty	Knoll	Nelson	Setzpfandt	Tennessee
Gunderson	Lessard	Nichols	Sieloff	
Hanson	Lewis	Ogdahl	Sikorski	
Hughes	Luther	Olhoft	Spear	

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

Mr. McCutcheon moved to amend H. F. No. 800, as amended pursuant to Rule 49, adopted by the Senate April 26, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 781.)

Page 3, line 19, strike "14" and insert "seven"

Page 3, line 23, strike "14" and insert "seven"

Page 3, line 31, strike "14" and insert "seven"

Page 4, line 8, strike "14" and insert "seven"

Page 4, line 13, strike "14" and insert "seven"

The motion prevailed. So the amendment was adopted.

H. F. No. 800 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 27 and nays 38, as follows:

Those who voted in the affirmative were:

Brataas	Humphrey	Milton	Sieloff	Stumpf
Coleman	Keefe, S.	Ogdahl	Sikorski	Tennessee
Davies	Knoll	Olhoft	Sillers	Ulland, J.
Dieterich	Lewis	Perpich	Spear	
Gearty	Luther	Purfeerst	Staples	
Hughes	Merriam	Schaaf	Stokowski	

Those who voted in the negative were:

Anderson	Engler	Kleinbaum	Nichols	Setzpfandt
Ashbach	Frederick	Knutson	Olson	Solon
Bang	Gunderson	Laufenburger	Penny	Strand
Benedict	Hanson	Lessard	Peterson	Vega
Bernhagen	Jensen	McCutcheon	Pillsbury	Wegener
Borden	Johnson	Menning	Renneke	Willet
Chmielewski	Keefe, J.	Moe	Schmitz	
Dunn	Kirchner	Nelson	Schrom	

So the bill, as amended, failed to pass.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1078 a Special Order to be heard immediately.

S. F. No. 1078: A bill for an act relating to transportation; restructuring state and local financing of the operations of the Twin Cities metropolitan transit commission; requiring performance funding; changing the taxing authority of the commission; authorizing the sale of bonds for particular purposes; limiting operating deficits on all regular routes; providing for initiation of and reimbursement for certain new routes; requiring reduced transit tax levy in municipalities with no subsidized transit service; establishing reduced fare service for the elderly and handicapped and reimbursing the commission for such service; extending the statewide supplemental transit aid program; establishing a statewide paratransit demonstration grant program; requiring annual permits for overlength articulated buses; granting powers to and imposing duties on the commissioner of transportation; appropriating money; amending Minnesota Statutes 1976, Sections 169.81, by adding a subdivision; 473.121, Subdivision 19, and by adding a subdivision; 473.402; 473.421; 473.423, Subdivision 1; 473.446, Subdivision 1; Chapters 174, by adding a section; and 473, by adding sections; repealing Minnesota Statutes 1976, Section 473.446, Subdivisions 4 and 5.

Mr. Schaaf moved to amend S. F. No. 1078 as follows:

Page 2, line 19, after "473.402" insert "[LEGISLATIVE DETERMINATION, POLICY, PURPOSE AND OBJECTIVES.] *Subdivision 1. [POLICY AND PURPOSE.]*" and reinstate the stricken language

Page 2, line 20, after the stricken word "live" insert "*there is a transportation problem*" and reinstate the balance of the line

Page 2, line 21, reinstate the language through the period

Page 3, line 8, after the stricken period insert "*Most of the passenger transportation is currently provided by private automobiles, a major portion of which are occupied by only one person. The traffic load on the public highways, which constitute the main routes of travel to, from, and through the area, is causing congestion, increasing the number of accidents and associated deaths and injuries, polluting the air, intensifying the wear and tear on the highways, increasing the number, size, and cost of new highways, consuming scarce energy resources, contributing to urban sprawl, and requiring great costs of operation.*"

Page 3, line 8, reinstate "These effects will progressively"

Page 3, line 9, reinstate the stricken language through the word "area" and after the stricken word "increases" insert "*and the number of visitors to the area increase*"

Page 3, line 9, reinstate ", imposing"

Page 3, line 10, reinstate all the stricken language except "the"

Page 3, line 11, reinstate all the stricken language except "of"

Page 3, line 12, reinstate ", and causing" and reinstate the language on line 13 and on line 14 through the period

Page 3, line 19, reinstate the language after the period, and reinstate lines 20 and 21

Page 3, line 22, reinstate the language through the comma

Page 3, line 26, after the stricken word "aforesaid" insert "*through the amelioration or elimination of the aforesaid conditions*"

Page 3, line 26 reinstate ", there is" and after "is" insert "an" and reinstate the balance of the line

Page 3, reinstate the stricken language on lines 27 through 29

Page 3, line 29, after the reinstated "for the" insert "*promotion and operation of all forms of transit, for the*"

Page 3, reinstate line 30

Page 3, line 31, reinstate the stricken language through the word "provided" and reinstate the period

Page 3, line 32, before "[OBJECTIVES.]" insert "*Subd. 2.*"

Page 16, line 9, strike "*annually*"

Page 16, line 9, after "*legislature*" insert "*by January 1 of each year*"

Page 16, line 29, strike "*the same date that rules*" and insert "*July 1, 1978.*"

Page 16, strike line 30

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

Mr. Schaaf then moved to amend S. F. No. 1078 as follows:

Page 16, after line 30, insert:

"Sec. 13. [SAINT PAUL DOWNTOWN PEOPLE MOVER.]
Subdivision 1. [FEASIBILITY STUDY; CONDITIONS OF EXPENDITURE BY THE COMMISSION.] The Twin Cities metropolitan transit commission shall expend no public money for any expenses related to the Saint Paul downtown people mover project except as provided in this subdivision. The commission may spend up to \$150,000 for a preliminary engineering study of the project under a joint powers agreement with the city of Saint Paul, provided that the commission and the city shall first amend the joint powers agreement under which the study is to be undertaken to

(a) *remove the chief administrator of the commission and the chairman of the transit development committee from the steering committee charged with directing the study, include as members of that committee the commissioner of the department of transportation and the chairman of the transportation advisory board of the metropolitan council and permit one state senator appointed by the majority leader of the senate and one state representative appoint-*

ed by the speaker of the house to serve as nonvoting members of the committee;

(b) require that all third party contracts for consultants be approved by a majority of the steering committee with no veto power by the city of Saint Paul;

(c) require that the preliminary engineering study include a feasibility study consisting of (1) an analysis of the prudent and feasible alternatives to a fixed guideway transportation system that will achieve the development and other goals of the people mover project, (2) a study of the potential people mover ridership, (3) a review of the economic development assumptions used in predicting the economic benefits of the project, and (4) formulation of a specific plan setting forth the sources and method of payment of operating deficits and capital cost overruns of the project;

(d) provide for access to information for the state planning agency at every stage of the study; and

(e) require submission of the completed study to the state planning agency for review pursuant to subdivision 2.

Subd. 2. [EVALUATION BY THE STATE PLANNING AGENCY.] *The state planning agency shall independently evaluate the preliminary engineering study upon its completion. The agency shall submit a report of its findings to the legislature and to the steering committee created under the joint powers agreement no later than 30 days following the submission to the agency of the completed study. The report shall include the agency's findings with respect to the reasonableness, accuracy and reliability of the assumptions and conclusions of the study. The agency shall give particular attention to the matters required to be included in the feasibility study. The agency shall contract with an independent private consultant to carry out the duties imposed by this section."*

Page 16, line 32, strike "*this section*" and insert "*subdivisions 2 to 9*"

Page 18, strike lines 7 to 10

Page 19, after line 15, insert:

"Subd. 10. The sum of \$75,000 is appropriated to the state planning agency from the general fund for the biennium ending June 30, 1979, to carry out the purposes of section 13, subdivision 2."

Page 19, line 18, strike "*and*" and insert a comma

Page 19, line 18, after "*12*" insert "*and 13*"

Renumber the sections in sequence

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 22, as follows:

Those who voted in the affirmative were:

Benedict	Johnson	Moe	Peterson	Stokowski
Borden	Knoll	Nichols	Purfeerst	Strand
Chmielewski	Lessard	Ogdahl	Schaaf	Vega
Coleman	Luther	Olson	Schmitz	
Davies	McCutcheon	Penny	Setzepfandt	
Gearty	Menning	Perpich	Spear	

Those who voted in the negative were:

Ashbach	Engler	Knutson	Pillsbury	Tennessee
Bang	Frederick	Lewis	Renneke	Ulland, J.
Bernhagen	Gunderson	Milton	Sieloff	
Brataas	Jensen	Nelson	Sillers	
Dieterich	Kirchner	Olhoff	Stumpf	

The motion prevailed. So the amendment was adopted.

Mr. Olson moved to amend S. F. No. 1078 as follows:

Page 18, line 1, after the period, insert "*The information required on any application pursuant to this subdivision for grants to recipients outside the metropolitan area shall be limited to the minimum amount required for the commissioner of transportation to determine that the project is a proper expenditure of money appropriated by this subdivision.*"

The motion prevailed. So the amendment was adopted.

S. F. No. 1078 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 48 and nays 12, as follows:

Those who voted in the affirmative were:

Anderson	Humphrey	Luther	Perpich	Spear
Bang	Johnson	McCutcheon	Peterson	Staples
Benedict	Keefe, J.	Menning	Pillsbury	Stokowski
Borden	Kirchner	Merriam	Purfeerst	Strand
Coleman	Kleinbaum	Moe	Renneke	Stumpf
Davies	Knoll	Nelson	Schaaf	Tennessee
Dieterich	Knutson	Nichols	Schmitz	Ulland, J.
Gearty	Laufenburger	Ogdahl	Setzepfandt	Vega
Gunderson	Lessard	Olson	Sillers	
Hughes	Lewis	Penny	Solon	

Those who voted in the negative were:

Ashbach	Chmielewski	Frederick	Milton	Sieloff
Bernhagen	Dunn	Jensen	Olhoff	Willett
Brataas	Engler			

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

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 1034 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1034

A bill for an act relating to transportation; appropriating money for the operation of Amtrak rail service between the Twin Cities and Duluth.

May 4, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 1034, 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. 1034 be amended as follows:

Page 1, line 7, after "SERVICE.]" insert "Subdivision 1."

Page 1, insert a period at the end of line 15

Page 1, delete lines 16 to 19 and insert

"Subd. 2. Notwithstanding the provisions of Minnesota Statutes, Section 16A.28, or any other law to the contrary, the money appropriated by subdivision 1 shall not cancel, but shall be available for the purposes specified until expended.

Subd. 3. The sum of \$15,000 is hereby appropriated to the state planning agency to study the potential and importance of state railroad rights-of-way as possible corridors for power transmission, pipelines and other public uses. The study shall be completed in time for consideration by the 1978 legislature."

Further, amend the title as follows:

Page 1, line 4, after "Duluth" insert "; appropriating money for a study of railroad rights-of-way"

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

Senate Conferees: (Signed) Sam G. Solon, A. O. H. Setzepfandt and Robert G. Dunn

House Conferees: (Signed) Willard M. Munger, Neil S. Haugerud and Douglas W. Carlson

Mr. Solon moved that the foregoing recommendations and Conference Committee Report on S. F. No. 1034 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. 1034: A bill for an act relating to transportation; appropriating money for the operation of Amtrak rail service between the Twin Cities and Duluth.

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

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

The roll was called, and there were yeas 42 and nays 12, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kleinbaum	Nichols	Spear
Ashbach	Engler	Laufenburger	Ogdahl	Staples
Bang	Gearity	Lessard	Olson	Stokowski
Benedict	Gunderson	Luther	Perpich	Ulland, J.
Bernhagen	Hughes	McCutcheon	Schaaf	Vega
Chmielewski	Humphrey	Menning	Schmitz	Willet
Coleman	Johnson	Milton	Schrom	
Davies	Keefe, J.	Moe	Setzepfandt	
Dieterich	Kirchner	Nelson	Solon	

Those who voted in the negative were:

Brataas	Olhoff	Pillsbury	Renneke	Sillers
Frederick	Penny	Purfeerst	Sieloff	Strand
Merriam	Peterson			

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 625, a Special Order to be heard immediately.

S. F. No. 625: A bill for an act relating to employment services; authorizing the summer employment of young persons for state and local service; appropriating money.

Mr. Solon moved to amend S. F. No. 625 as follows:

Page 2, lines 7, 9 and 18, strike "this act" and insert "sections 1 to 6"

Page 2, line 22, strike "department of employment services" and insert "commissioner"

Page 2, line 30, strike "department of employment"

Page 2, line 31, strike "services" and insert "commissioner"

Page 3, line 14, strike "this act" and insert "sections 1 to 6"

The motion prevailed. So the amendment was adopted.

Mr. Solon then moved to amend S. F. No. 625 as follows:

Page 3, line 18, strike "\$9,000,000" and insert "\$6,000,000"

Page 3, line 22, strike "\$5,000,000" and insert "\$2,000,000"

The motion prevailed. So the amendment was adopted.

Mr. Pillsbury moved to amend S. F. No. 625 as follows:

Page 1, line 20, strike "federal" and insert "Minnesota"

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

S. F. No. 625 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Knoll	Olhoft	Spear
Ashbach	Engler	Knutson	Penny	Staples
Bang	Frederick	Laufenburger	Peterson	Stokowski
Benedict	Gearty	Lessard	Purfeerst	Strand
Bernhagen	Gunderson	Luther	Renneke	Stumpf
Borden	Hughes	Menning	Schaaf	Tennessen
Brataas	Humphrey	Milton	Schmitz	Ulland, J.
Chmielewski	Johnson	Moe	Setzpfandt	Vega
Coleman	Keefe, J.	Nelson	Sieloff	Willet
Davies	Kirchner	Nichols	Sillers	
Dieterich	Kleinbaum	Ogdahl	Solon	

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

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.

APPOINTMENTS

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

S. F. No. 826, pursuant to the request of the Senate:

Messrs. Ulland, J.; Solon and Chmielewski.

S. F. No. 875, pursuant to the request of the Senate:

Mrs. Staples, Messrs. Wegener and Humphrey.

S. F. No. 109, pursuant to the request of the Senate:

Messrs. Schaaf, Borden and Merriam.

S. F. No. 932, pursuant to the request of the Senate:

Messrs. Menning, Kleinbaum and Olson.

S. F. No. 49, pursuant to the request of the Senate:

Messrs. Laufenburger, Frederick, and Purfeerst.

H. F. No. 320, pursuant to the request of the House:

Messrs. Milton; Keefe, S. and Mrs. Brataas.

S. F. No. 742, pursuant to the request of the Senate:

Messrs. Milton, Hughes and Pillsbury.

S. F. No. 1290, pursuant to the request of the Senate:

Mrs. Staples, Messrs. Spear and Keefe, J.

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Solon moved that S. F. No. 583 be taken from the table. The motion prevailed.

S. F. No. 583: A bill for an act relating to insurance companies; prescribing penalties for violation of certain filing requirements; amending Minnesota Statutes 1976, Chapter 72A, by adding a section; repealing Minnesota Statutes 1976, Section 72A.06.

Mr. Solon moved that the Senate do not concur in the amendments by the House to S. F. No. 583 and that a Conference Committee of 3 members be appointed by the Subcommittee 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. Coleman moved that the Senate do now adjourn until 1:00 o'clock p.m., Wednesday, May 11, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FIFTY-SECOND DAY

St. Paul, Minnesota, Wednesday, May 11, 1977

The Senate met at 1:00 o'clock p.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	Kleinbaum	Olhoft	Solon
Benedict	Gearty	Knoll	Pillsbury	Spear
Bernhagen	Gunderson	Laufenburger	Purfeerst	Staples
Brataas	Hanson	Lewis	Schmitz	Stokowski
Chmielewski	Hughes	Luther	Setzepfandt	Strand
Coleman	Johnson	Merriam	Sieloff	Stumpf
Davies	Keefe, S.	Moe	Sikorski	Tennessee
Dieterich	Kirchner	Nelson	Sillers	Vega

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

Prayer was offered by the Chaplain, Rev. Craig Hanson.

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

Anderson	Gearty	Lessard	Perpich	Staples
Ashbach	Gunderson	Lewis	Peterson	Stokowski
Bang	Hanson	Luther	Pillsbury	Strand
Benedict	Hughes	McCutcheon	Purfeerst	Stumpf
Bernhagen	Humphrey	Menning	Renneke	Tennessee
Borden	Jensen	Merriam	Schaaf	Ueland, A.
Brataas	Johnson	Milton	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Moe	Schrom	Vega
Coleman	Keefe, S.	Nelson	Setzepfandt	Wegener
Davies	Kirchner	Nichols	Sieloff	Willet
Dieterich	Kleinbaum	Ogdahl	Sikorski	
Dunn	Knoll	Olhoft	Sillers	
Engler	Knutson	Olson	Solon	
Frederick	Laufenburger	Penny	Spear	

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. Chenoweth was excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 5, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

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

James Price, 828 North 11th Avenue East, Duluth, St. Louis County, has been appointed by me, effective January 3, 1977 for a term expiring the first Monday in January, 1981.

Referred to the Committee on Energy and Housing.

May 10, 1977

This is to inform you that the appointment of Marvin Trammel to the Council on Quality Education effective April 18, 1977, as found in the letter of May 3, 1977, has been changed to an at-large position.

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

Marvin Trammel, 1981 Lyman Lane, Wayzata, Hennepin County, has been appointed by me, effective April 18, 1977, for a term expiring the first Monday in January, 1982.

Referred to the Committee on Education.

Sincerely,
Rudy Perpich, Governor

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Chmielewski introduced—

S. F. No. 1518: A bill for an act relating to town roads; providing cartways; amending Minnesota Statutes 1976, Section 164.08, Subdivision 2.

Referred to the Committee on Local Government.

Mr. Wegener introduced—

S. F. No. 1519: A bill for an act establishing a legislative study commission to investigate costs of operating hospitals and nursing

homes; prescribing the commission's powers and duties; appropriating money.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Wegener introduced—

S. F. No. 1520: A bill for an act creating a legislative commission to study the dairy industry unfair trade practices act; appropriating money therefor.

Referred to the Committee on Commerce.

Messrs. Menning, Luther and Pillsbury introduced—

S. F. No. 1521: A bill for an act relating to claims against the state; appropriating money for the payment thereof; establishing procedures for consideration of certain claims.

Referred to the Committee on Finance.

Mr. Olhoft introduced—

S. F. No. 1522: A bill for an act relating to taxation; providing for transfer of jointly held property to heirs of decedent joint tenant; clarifying marital exemption provisions; providing for deduction for certain taxes on estates of nonresidents; clarifying time for filing and extension; providing for abatement of penalties in cases of reasonable cause for delay; correcting references to private code provisions; requiring filing of affidavits and copies of documents; amending Minnesota Statutes 1976, Sections 291.01, Subdivision 4; 291.051, Subdivision 1; 291.08; 291.09, by adding a subdivision; 291.11, Subdivision 1; 291.131, Subdivision 2; 291.20, Subdivision 3; 291.40; 524.3-1003; 524.3-1201; and 524.3-1202.

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. No. 769 and 905.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 10, 1977

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 taxation; exempting

the department of revenue from certain administrative procedure act requirements in certain inheritance, iron ore, and occupation tax proceedings; authorizing the commissioner of revenue to enter into administrative agreements with the secretary of the treasury and the governing bodies of certain Indian reservations; changing requirements for orders of the commissioner; allowing commissioner to dismiss certain confiscation procedures; providing penalties for cigarette tax violations; appropriating money; amending Minnesota Statutes 1976, Sections 270.06; 270.10, Subdivision 1; 273.1104; 291.09, Subdivisions 1 and 2; 297.08, Subdivision 4; 297.12, Subdivision 1, and by adding a subdivision; 298.09, Subdivision 2; and Chapter 270, by adding a section.

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

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 10, 1977

CONCURRENCE AND REPASSAGE

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

S. F. No. 816: A bill for an act relating to taxation; exempting the department of revenue from certain administrative procedure act requirements in certain inheritance, iron ore, and occupation tax proceedings; authorizing the commissioner of revenue to enter into administrative agreements with the secretary of the treasury and the governing bodies of certain Indian reservations; changing requirements for orders of the commissioner; allowing commissioner to dismiss certain confiscation procedures; providing penalties for cigarette tax violations; appropriating money; amending Minnesota Statutes 1976, Sections 270.06; 270.10, Subdivision 1; 273.1104; 291.09, Subdivisions 1 and 2; 297.08, Subdivision 4; 297.12, Subdivision 1; 298.09, Subdivision 2; and Chapter 270, by adding a section.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Luther	Peterson	Staples
Bernhager	Hughes	McCutcheon	Pillsbury	Stokowski
Borden	Humphrey	Menning	Purfeerst	Strand
Brataas	Johnson	Merriam	Renneke	Stumpf
Chmielewski	Keefe, J.	Moe	Schmitz	Tennessee
Coleman	Keefe, S.	Nelson	Schrom	Vega
Davies	Kirchner	Nichols	Setzepfandt	Wegener
Dieterich	Kleinbaum	Olhoff	Sieloff	Willet
Dunn	Knoll	Olson	Sikorski	
Gearty	Laufenburger	Penny	Sillers	

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. 895: A bill for an act relating to metropolitan government; providing for sports facilities; establishing a sports commission and prescribing its powers and duties; providing financing; providing a tax on the sales of certain intoxicating and fermented malt beverages in the metropolitan area; prohibiting certain restrictive agreements relating to the telecasting of games; increasing the levy limitation base for the city of Bloomington; regulating facilities location; amending Minnesota Statutes 1976, Section 340.11, Subdivision 11a.

Senate File No. 895 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 10, 1977

Mr. Keefe, S. moved that S. F. No. 895 be laid on the table. 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 five members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 1489: A bill for an act relating to the organization and operation of state government; appropriating money for maintenance of various semi-state activities and for other purposes; amending Minnesota Statutes 1976, Sections 139.08, Subdivision 5; 139.10, by adding a subdivision; 343.08; 343.12; 346.216; Chapter 139, by adding sections; repealing Minnesota Statutes 1976, Sections 343.02; and 343.03.

There has been appointed as such committee on the part of the House: Eckstein, Dahl, Erickson, Arlandson and Hanson.

Senate File No. 1489 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 10, 1977

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1475.

H. F. No. 1475: A bill for an act relating to taxation; providing changes in classification ratios and assessment procedures; increasing local government aids and certain tax credits; altering levy limits; imposing a minimum tax on certain types of income; establishing tax study committee; increasing the tax on taconite production and providing for the distribution of its proceeds; establishing a taconite area environmental protection and economic development fund and council; establishing a Northeast Minnesota economic protection fund; imposing a tailings tax; increasing the tax on unmined taconite; requiring owners and lessees of mineral rights to file exploration data with the commissioner of revenue; providing penalties; appropriating money; amending Minnesota Statutes 1976, Sections 124.212, Subdivisions 10 and 11; 273.11, Subdivisions 1 and 2; 273.12; 273.13, Subdivisions 6, 7 and 14a; 273.132; 273.134; 274.01, Subdivision 1; 275.50, Subdivision 5; 275.51, by adding a subdivision; 275.52, Subdivisions 2, 3 and 4; 275.53, Subdivisions 1 and 3; 278.01; 278.05; 287.241, Subdivision 2; 290.012, Subdivision 2; 290.09, Subdivision 4; 290A.03, Subdivisions 3, 11 and 13; 290A.04, Subdivision 2, and by adding a subdivision; 294.26; 298.03; 298.22, Subdivision 1; 298.24, Subdivisions 1 and 2; 298.244, Subdivision 2; 298.25; 298.26; 298.27; 298.28, Subdivision 1; 298.282, Subdivisions 1 and 2; 375.192, by adding a subdivision; 477A.01, Subdivisions 1, 2, 4, 4a, 4b, and by adding a subdivision; 477A.03; and Chapters 3, 272, 287, 290, 298 and 477A, by adding sections; repealing Minnesota Statutes 1976, Sections 275.51, Subdivisions 3b and 3c; 287.241, Subdivisions 3 and 4; 290.09, Subdivision 26; 294.27; 294.28; 298.241; 298.243; 298.244, Subdivision 1; 298.28, Subdivision 1a; 298.281; Extra Session Laws 1971, Chapter 31, Article XIII; Laws 1973, Chapter 601; Laws 1975, Chapter 437, Article VII; and Laws 1976, Chapter 149, Section 58.

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

Kelly, W.; Vanasek; Sabo; Anderson, I. and Jacobs have been appointed as such committee on the part of the House.

House File No. 1475 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 May 10, 1977

Mr. McCutcheon moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1475, and that a Conference Committee of 5 members be appointed by the Subcommittee 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. 921.

H. F. No. 921: A bill for an act relating to public employees; designating the number of arbitrators to resolve labor dispute; amending Minnesota Statutes 1976, Section 179.72, Subdivision 6.

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

St. Onge, McEachern and Murphy have been appointed as such committee on the part of the House.

House File No. 921 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 May 10, 1977

Mr. Purfeerst moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 921, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 324.

H. F. No. 324: A bill for an act relating to sheriffs, fees and mileage allowance; amending Minnesota Statutes 1976, Section 357.09, Subdivisions 1, 2, and 4; repealing Minnesota Statutes 1976, Sections 357.09, Subdivision 5; and 357.10.

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

Clawson, Suss and Anderson, R. have been appointed as such committee on the part of the House.

House File No. 324 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 May 10, 1977

Mr. Schmitz moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 324, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 1337, 1457 and 93.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 10, 1977

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 five members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 1467: A bill for an act relating to the organization and operation of state government; appropriating money for the general administrative and judicial expenses of state government and limiting the use thereof; providing for the transfer of certain moneys in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; amending Minnesota Statutes 1976, Sections 10.30; 16A.095, Subdivision 2; 16A.10, Subdivisions 1 and 2; 16A.11, Subdivisions 2 and 3; 43.09, Subdivision 2; 43.31; 98.46, by adding a subdivision; 168.33, Subdivisions 2 and 7; 176.602; 183.545, Subdivisions 1, 3 and 4; 183.57, Subdivision 2; 186.04; 260.311, Subdivision 2; 268.06, Subdivision 25; 296.06, Subdivision 2; 296.12, Subdivision 1; 326.241, Subdivision 3; 362.125; 363.14, by adding a subdivision; 462.389, Subdivision 4; Chapter 16A, by adding a section; Laws 1971, Chapter 121, Section 2, as amended; and Laws 1976, Chapter 260, Section 3; repealing Minnesota Statutes 1976, Sections 15.61, Subdivision 3; 16.173; 16A.095, Subdivision 1; 16A.12 and 176.603.

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

Haugerud, Kahn, Laidig, King and Voss.

Senate File No. 1467 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 11, 1977

FIRST READING OF HOUSE BILLS

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

H. F. No. 1337: A bill for an act relating to taxation; removing membership dues, fees and assessments received by certain homeowners associations from definition of gross income for corporate income tax purposes; amending Minnesota Statutes 1976, Section 290.01, Subdivision 20.

Referred to the Committee on Rules and Administration.

H. F. No. 1457: A bill for an act relating to state lands; authorizing the conveyance of certain lands in Aitkin county.

Referred to the Committee on Rules and Administration for Comparison to S. F. No. 1336 now on General Orders.

H. F. No. 93: A bill for an act relating to taxation; establishing filing requirements for a homeowners' association; amending Minnesota Statutes 1976, Section 290.37, 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. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 157: A bill for an act relating to public utilities; providing for refund of overcharges if certain rates become effective before approval by the public service commission; removing construction in progress from rate bases; prohibiting approval of rates which make allowances for certain advertising expenses; delaying implementation of certain rate schedules; restricting approval of rates which make allowances for charitable contributions; regulating telephone company rates; amending Minnesota Statutes 1976, Section 216B.16, Subdivisions 1, 2, and 6, and by adding subdivisions; and Chapter 237, by adding a section; repealing Minnesota Statutes 1976, Section 237.08.

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

Page 3, line 18, strike "Laws 1974, Chapter 429" and insert "*this chapter*"

Page 4, line 1, strike "*subject to the provisions of subdivision 6a,*"

Page 4, line 15, strike "*Construction work in progress shall not be*"

Page 4, strike lines 16 to 18 and insert:

"To the extent that construction work in progress is included in the rate base, the commission shall determine in its discretion whether and to what extent the income used in determining the actual return on the public utility property shall include an allowance for funds used during construction, considering the"

Page 5, line 17, strike "*designated*" and insert "*designed*"

Page 5, line 29, strike "*scrutinize all*" and insert "*allow as operating expenses only those charitable contributions*"

Page 5, strike line 30

Page 5, line 31, strike "*contributions as operating expenses*"

Page 6, line 1, after the period, insert "*Only 50 percent of the qualified contributions shall be allowed as operating expenses.*"

Amend the title as follows:

Page 1, line 5, strike "removing" and insert "regulating inclusion of"

Page 1, line 5, after "construction" insert "work"

Page 1, line 5, strike "from" and insert "in"

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

Mr. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 451: A bill for an act relating to banks; authorizing a bank to establish two detached banking facilities; providing for notice and approval procedures; amending Minnesota Statutes 1976, Sections 47.51; 47.52; 47.53; 47.54; and 47.55.

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

Page 1, line 20, after "from" insert "*the closest point of*"

Page 1, line 20, strike "*structure*" and insert "*structures*"

Page 3, line 4, strike "*point*" and insert "*points*"

Page 3, line 5, strike "*structure*" and insert "*structures*"

Page 3, line 6, strike "*such*" and insert "*the nearest boundary of the*"

Page 3, line 7, after "*the*" insert "*closest point of the*"

Page 6, after line 7, insert:

"Sec. 6. Minnesota Statutes 1976, Section 48.34, is amended to read:

48.34 [BRANCH BANKS.] No bank or trust company organized under the laws of this state shall maintain a branch bank or receive deposits or pay checks within this state, except at its own banking house, and the commissioner shall take possession of and liquidate the business and affairs of any state bank or trust company violating the provisions of this section, in the manner prescribed by law for the liquidation of insolvent state banks and trust companies.

Subdivision 1. [DEFINITIONS.] The following terms, for the purposes of this section, have the meanings ascribed to them:

(a) "*Bank*" means any bank, savings bank, or trust company as defined in Minnesota Statutes, Section 47.01.

(b) "*Commissioner*" means the commissioner of banks.

(c) "*Principal office*" means the main banking house of any bank at which its principal functions are conducted.

(d) "*Branch office*" means any building, or place of business

of a bank, other than its principal office, at which the usual business of a bank is conducted, but shall not include any place at which only records are made, posted, or kept, or a detached facility as defined by Minnesota Statutes, Sections 47.51 to 47.57.

(e) "Region" means a development region as defined by the regional development act of 1969, Minnesota Statutes, Sections 462.381 to 462.396 and as designated by the governor on the effective date of this act, and shall include as a single region the metropolitan area as defined in section 473.121, subdivision 2.

Subd. 2. [BRANCH OFFICES.] No bank, or officer, director or agent thereof, shall transact any part of its usual business of banking at any place other than its principal office, except as follows:

(a) Any bank may establish and operate one or more branch offices at any location or locations within the region in which its principal office is located upon receiving the approval of the commissioner. The commissioner shall approve an application if it shall appear that establishment of the proposed branch will improve the quality or increase the availability of banking services in the community to be served, and that the capital funds and managerial resources of the applicant are adequate. In determining whether the capital funds of the applicant are adequate, the commissioner shall consider the deposit potential for the proposed branch, the current banking industry standards of capital adequacy, and the management quality, asset condition, and earnings of the applicant. The commissioner may deny an application upon a finding that establishment of the proposed branch will have an undue adverse effect upon existing financial institutions in the community to be served.

(b) No application shall be granted permitting the establishment of a branch office in any city having a population, according to the last previous United States census, of less than 2,000, unless there is no principal office of a bank in that city; provided that nothing in this subdivision prohibits establishment of a branch office by merger or consolidation pursuant to this section and sections 49.34 to 49.41.

Subd. 3. [APPLICATION AND APPROVAL.] Any bank desiring to establish and operate a branch office shall make application in writing upon forms prescribed by the commissioner and shall file the forms with his office, together with a filing fee of \$50, and in the case where an application is contested, an additional fee of \$450, payable to the state treasurer and credited by the treasurer to the general fund. Thereupon the commissioner shall fix a time, within 60 days after the filing of the application, for a hearing for the purpose of considering the application. At the hearing the applicant, and any other interested person who has filed with the commissioner prior to the date of the hearing a written notice of appearance stating his position in favor of or against the approval of the application, shall be afforded an opportunity to present evidence and argument with respect thereto. Notice of the hearing shall be mailed

by the applicant by certified mail to the principal office of each and every bank located within the region in which the proposed branch office is to be located. In addition, notice of the hearing shall be published by the applicant in a legal newspaper in the municipality in which the proposed branch office is to be located, and if there is no newspaper, then in a legal newspaper at the county seat of the county in which the proposed branch office is to be located. The notice shall be mailed and published not less than 60 days prior to the date of the hearing. If more than one application for the establishment of a branch office in the same vicinity is received by the commissioner within any 30 day period, the commissioner shall consolidate the hearings to be held for the purpose of considering such applications in a single hearing. Except as otherwise provided herein, the hearing shall be conducted by the commissioner in accordance with the provisions of the administrative procedure act, Minnesota Statutes, Sections 15.0411 to 15.052, governing contested cases, including the provisions of the act relating to judicial review of agency decisions.

(b) Upon conclusion of the hearing and within 90 days thereafter, the commissioner shall approve or deny the application. If the application is approved, the commissioner shall issue forthwith a certificate of authorization and an order, setting forth a statement of the reasons therefor. If the proposed branch office is not activated within 12 months thereafter, the certificate of authorization shall automatically expire. If the application is denied, the commissioner shall issue an order to that effect setting forth a statement of the reasons therefor and shall forthwith give notice thereof by certified mail to the applicant.

Subd. 4. [MERGER, CONSOLIDATION, PURCHASE.] (a) Branch offices may be established with the approval of the commissioner by merger or consolidation of two or more banks, or by the purchase by a bank of all or a substantial part of the assets of one or more other banks, which have their principal office or offices within the same region, pursuant to this section.

(b) No bank shall merge or consolidate with another bank or acquire all or a substantial part of the stock or assets of another bank and operate the offices of the bank as branch offices of the merged or consolidated bank, if the combined deposits of the consolidated banks would exceed 20 percent of the bank deposits in the region in which the consolidated bank is located, or in the state. The deposits held by each bank shall be determined by the commissioner from the most recent reports made by all banks to any supervisory authority. If the acquiring bank is a subsidiary of a bank holding company, its percentage of deposits shall include the combined percentage held by all banking subsidiaries of that holding company in that region or state, whichever percentage is greater. For purposes of this section "bank holding company" and "subsidiary" have the meanings provided in the Bank Holding Company Act, 12 U.S.C. Section 1841.

(c) Nothing in this section shall prevent the merger or consolidation of banks in the region which are, on June 1, 1977, subsidiaries

of the same bank holding company, and the operation of the offices of such banks as branch offices of the merged or consolidated bank, with the approval of the commissioner if the merger satisfies the conditions of subdivision 2.

(d) Nothing in this section shall prevent the merger, consolidation or purchase of a failing bank pursuant to a request of the Federal Reserve Board, Federal Deposit Insurance Corporation, Comptroller of the Currency, Commissioner, or other supervisory authority, and the operation of the offices of such banks as a branch office of the merged or consolidated bank, without the approval of the commissioner.

Subd. 5. [CHANGE OF LOCATION.] Upon approval of the commissioner, a bank may change the location of a branch office from one place to another within the immediate vicinity of its previously authorized location.

Subd. 6. [CLOSING OF OFFICE.] Upon approval of the commissioner, a bank may close or discontinue the operation of any branch office provided public notice thereof is given in the manner prescribed by the commissioner at least 90 days prior to the date of closing or discontinuance.

The commissioner may grant an application to close a branch office if it will not have an undue adverse effect on the public convenience and advantage. In the event any person objects to the application, the commissioner shall hold a hearing in the manner provided by the Minnesota Administrative Procedure Act, Minnesota Statutes, Sections 15.0411 to 15.052.

Subd. 7. [EXISTING BRANCH OFFICES.] Nothing contained in this section denies any bank the right to continue the operation of any branch office or offices established prior to the effective date of this act.

Subd. 8. Nothing contained in this section denies any bank the right to establish and maintain a detached facility as provided in sections 47.51 to 47.57.

Sec. 7. Minnesota Statutes 1976, Section 49.34, is amended to read:

49.34 [CONSOLIDATION OF STATE BANKS OR TRUST COMPANIES, PROCEDURE.] Any two or more state banks, operating in the same city, development region as defined by the regional development act of 1969, Minnesota Statutes, Sections 462.381 to 462.396, or in the metropolitan area as defined in section 473.121, subdivision 2 may be consolidated into a consolidated state bank, and any two or more trust companies, operating in the same city development region or in the metropolitan area, may be consolidated into a consolidated trust company, and any state bank or state banks and any trust company or trust companies, operating in the same city development region or in the metropolitan area, may be consolidated into a consolidated state bank or consolidated trust company, as the respective boards of directors thereof may determine. All such

consolidation shall be effected in the manner provided in sections 49.35 to 49.41 and when so organized, the consolidated corporation shall be governed and conducted in all other respects as provided by the statutes relating to the respective classes of financial corporations."

Amend the title as follows:

Page 1, line 4, after the semicolon insert "authorizing certain branch banks; permitting consolidation of banks in regions;"

Page 1, line 6, after the semicolon strike "and"

Page 1, line 6, before the period insert "; 48.34; and 49.34"

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

Mr. Tennessen from the Committee on Commerce, to which was referred

H. F. No. 1180: A bill for an act relating to financial institutions; permitting the establishment and operation of electronic funds transfer facilities; 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.

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

Page 1, line 13, strike "15" and insert "14"

Page 3, line 3, strike "of this act"

Page 7, line 26, strike "this act" and insert "sections 1 to 14"

Page 11, line 12, after "act" insert "of 1968, P.L. 90-389,"

Page 11, line 24, after "necessary" insert "to restrict disclosure of information to that necessary to complete the transaction and"

Page 11, line 30, strike "this act" and insert "sections 1 to 14"

Page 12, line 2, after "wrongful" insert "and unnecessary"

Page 12, line 23, after "liable" insert ", subject to a maximum liability of \$50,"

Page 12, line 25, strike ", subject to a maximum liability of \$50"

Page 13, after line 29, insert:

"Nothing in sections 1 to 14 shall operate or be construed to create an exception to the antitrust laws of the United States for any contract or combination required or authorized by this act."

Page 13, line 32, strike "this act" and insert "sections 1 to 14"

Page 14, lines 5, 29 and 31, strike "this act" and insert "sections 1 to 14"

Page 15, line 17, strike "this act" and insert "sections 1 to 14"

Page 15, after line 19, insert:

"Sec. 15. Minnesota Statutes 1976, Section 48.34, is amended to read:

48.34 [BRANCH BANKS.] No bank or trust company organized under the laws of this state shall maintain a branch bank or receive deposits or pay checks within this state, except at its own banking house; and the commissioner shall take possession of and liquidate the business and affairs of any state bank or trust company violating the provisions of this section, in the manner prescribed by law for the liquidation of insolvent state banks and trust companies.

Subdivision 1. [DEFINITIONS.] The following terms, for the purposes of this section, have the meanings ascribed to them:

(a) "Bank" means any bank, savings bank, or trust company as defined in Minnesota Statutes, Section 47.01.

(b) "Commissioner" means the commissioner of banks.

(c) "Principal office" means the main banking house of any bank at which its principal functions are conducted.

(d) "Branch office" means any building, or place of business of a bank, other than its principal office, at which the usual business of a bank is conducted, but shall not include any place at which only records are made, posted, or kept, or a detached facility as defined by Minnesota Statutes, Sections 47.51 to 47.57.

(e) "Region" means a development region as defined by the regional development act of 1969, Minnesota Statutes, Sections 462.381 to 462.396 and as designated by the governor on the effective date of this act, and shall include as a single region the metropolitan area as defined in section 473.121, subdivision 2.

Subd. 2. [BRANCH OFFICES.] No bank, or officer, director or agent thereof, shall transact any part of its usual business of banking at any place other than its principal office, except as follows:

(a) Any bank may establish and operate one or more branch offices at any location or locations within the region in which its principal office is located upon receiving the approval of the commissioner. The commissioner shall approve an application if it shall appear that establishment of the proposed branch will improve the quality or increase the availability of banking services in the community to be served, and that the capital funds and managerial resources of the applicant are adequate. In determining whether the capital funds of the applicant are adequate, the commissioner shall consider the deposit potential for the proposed branch, the current banking industry standards of capital adequacy, and the management quality, asset condition, and earnings of the applicant. The commissioner may deny an application upon a finding that establishment of the proposed branch will have an undue adverse effect upon existing financial institutions in the community to be served.

(b) No application shall be granted permitting the establishment of a branch office in any city having a population, according to the last previous United States census, of less than 2,000, unless there is no principal office of a bank in that city; provided that nothing in this subdivision prohibits establishment of a branch office by merger or consolidation pursuant to this section and sections 49.34 to 49.41.

Subd. 3. [APPLICATION AND APPROVAL.] (a) Any bank desiring to establish and operate a branch office shall make application in writing upon forms prescribed by the commissioner and shall file the forms with his office, together with a filing fee of \$50, and in the case where an application is contested, an additional fee of \$450, payable to the state treasurer and credited by the treasurer to the general fund. Thereupon the commissioner shall fix a time, within 60 days after the filing of the application, for a hearing for the purpose of considering the application. At the hearing the applicant, and any other interested person who has filed with the commissioner prior to the date of the hearing a written notice of appearance stating his position in favor of or against the approval of the application, shall be afforded an opportunity to present evidence and argument with respect thereto. Notice of the hearing shall be mailed by the applicant by certified mail to the principal office of each and every bank located within the region in which the proposed branch office is to be located. In addition, notice of the hearing shall be published by the applicant in a legal newspaper in the municipality in which the proposed branch office is to be located, and if there is no newspaper, then in a legal newspaper at the county seat of the county in which the proposed branch office is to be located. The notice shall be mailed and published not less than 60 days prior to the date of the hearing. If more than one application for the establishment of a branch office in the same vicinity is received by the commissioner within any 30 day period, the commissioner shall consolidate the hearings to be held for the purpose of considering such applications in a single hearing. Except as otherwise provided herein, the hearing shall be conducted by the commissioner in accordance with the provisions of the administrative procedure act, Minnesota Statutes, Sections 15.0411 to 15.052, governing contested cases, including the provisions of the act relating to judicial review of agency decisions.

(b) Upon conclusion of the hearing and within 90 days thereafter, the commissioner shall approve or deny the application. If the application is approved, the commissioner shall issue forthwith a certificate of authorization and an order, setting forth a statement of the reasons therefor. If the proposed branch office is not activated within 12 months thereafter, the certificate of authorization shall automatically expire. If the application is denied, the commissioner shall issue an order to that effect setting forth a statement of the reasons therefor and shall forthwith give notice thereof by certified mail to the applicant.

Subd. 4. [MERGER, CONSOLIDATION, PURCHASE.] (a) Branch offices may be established with the approval of the com-

missioner by merger or consolidation of two or more banks, or by the purchase by a bank of all or a substantial part of the assets of one or more other banks, which have their principal office or offices within the same region, pursuant to this section.

(b) No bank shall merge or consolidate with another bank or acquire all or a substantial part of the stock or assets of another bank and operate the offices of the bank as branch offices of the merged or consolidated bank, if the combined deposits of the consolidated banks would exceed 20 percent of the bank deposits in the region in which the consolidated bank is located, or in the state. The deposits held by each bank shall be determined by the commissioner from the most recent reports made by all banks to any supervisory authority. If the acquiring bank is a subsidiary of a bank holding company, its percentage of deposits shall include the combined percentage held by all banking subsidiaries of that holding company in that region or state, whichever percentage is greater. For purposes of this section "bank holding company" and "subsidiary" have the meanings provided in the Bank Holding Company Act, 12 U.S.C. Section 1841.

(c) Nothing in this section shall prevent the merger or consolidation of banks in the region which are, on June 1, 1977, subsidiaries of the same bank holding company, and the operation of the offices of such banks as branch offices of the merged or consolidated bank, with the approval of the commissioner if the merger satisfies the conditions of subdivision 2.

(d) Nothing in this section shall prevent the merger, consolidation or purchase of a failing bank pursuant to a request of the Federal Reserve Board, Federal Deposit Insurance Corporation, Comptroller of the Currency, Commissioner, or other supervisory authority, and the operation of the offices of such banks as a branch office of the merged or consolidated bank, without the approval of the commissioner.

Subd. 5. [CHANGE OF LOCATION.] Upon approval of the commissioner, a bank may change the location of a branch office from one place to another within the immediate vicinity of its previously authorized location.

Subd. 6. [CLOSING OF OFFICE.] Upon approval of the commissioner, a bank may close or discontinue the operation of any branch office provided public notice thereof is given in the manner prescribed by the commissioner at least 90 days prior to the date of closing or discontinuance.

The commissioner may grant an application to close a branch office if it will not have an undue adverse effect on the public convenience and advantage. In the event any person objects to the application, the commissioner shall hold a hearing in the manner provided by the Minnesota Administrative Procedure Act, Minnesota Statutes, Sections 15.0411 to 15.052.

Subd. 7. [EXISTING BRANCH OFFICES.] Nothing contained in this section denies any bank the right to continue the operation of any branch office or offices established prior to the effective date of this act.

Subd. 8. Nothing contained in this section denies any bank the right to establish and maintain a detached facility as provided in sections 47.51 to 47.57.

Sec. 16. Minnesota Statutes 1976, Section 49.34, is amended to read:

49.34 [CONSOLIDATION OF STATE BANKS OR TRUST COMPANIES, PROCEDURE.] Any two or more state banks, operating in the same *city, development region as defined by the regional development act of 1969, Minnesota Statutes, Sections 462.381 to 462.396, or in the metropolitan area as defined in section 473.121, subdivision 2* may be consolidated into a consolidated state bank, and any two or more trust companies, operating in the same *city development region or in the metropolitan area*, may be consolidated into a consolidated trust company, and any state bank or state banks and any trust company or trust companies, operating in the same *city development region or in the metropolitan area*, may be consolidated into a consolidated state bank or consolidated trust company, as the respective boards of directors thereof may determine. All such consolidation shall be effected in the manner provided in sections 49.35 to 49.41 and when so organized, the consolidated corporation shall be governed and conducted in all other respects as provided by the statutes relating to the respective classes of financial corporations.”

Re-number the remaining section

Page 15, line 22, strike “is” and insert “and sections 15 and 16 are”

Page 15, line 23, strike “of this act”

Underline all new language in the bill

Amend the title as follows:

Page 1, line 9, before the period insert “; authorizing certain branch banks; permitting consolidation of banks in regions; amending Minnesota Statutes 1976, Sections 48.34 and 49.34”

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

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

H. F. No. 611: A bill for an act relating to retirement; date for payment of monthly annuities and benefits; additional lump sum payments to certain retirees, disabilitants and surviving spouses; amending Minnesota Statutes 1976, Chapter 356, by adding a section; Sections 352.01, Subdivision 21; and 354.46, Subdivision 3.

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

Page 5, line 2, strike “2” and insert “4”

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

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

H. F. No. 1259: A bill for an act relating to the city of Savage; firefighter's service pensions.

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

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

H. F. No. 1155: A bill for an act relating to the revisor of statutes; providing for engrossing and enrolling duties; clarifying disclosure of bill drafting records; amending Minnesota Statutes 1976, Sections 482.09; and 482.12, Subdivision 1.

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

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

H. F. No. 460: A bill for an act relating to retirement; adjustment in annuities through the adjustable fixed benefit fund; amending Minnesota Statutes 1976, Section 11.25, Subdivisions 3, 12 and 13.

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

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

H. F. No. 456: A bill for an act relating to the operation of state government; providing for the purchase of certain motor vehicles for use by investigative and undercover agents of the department of public safety; amending Minnesota Statutes 1976, Section 16.07, by adding a subdivision.

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

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 1238: 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 1976, Section 297A.01, Subdivision 3.

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

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

H. F. No. 993: A bill for an act relating to taxation; providing an alternative tax on liquor in metric containers; authorizing commissioner of revenue to order metric conversion; increasing bonding requirements; defining certain responsibilities of commissioners of public safety and revenue; amending Minnesota Statutes 1976, Sections 299A.02, Subdivision 1; 340.44; 340.47, by adding subdivisions; 340.485, Subdivisions 1 and 2; 340.51; 340.54, Subdivision 1; and 340.55.

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

Page 1, line 21 after "interest" insert "*except through ownership or investment in pension or mutual funds,*"

Page 2, line 1, strike "shall" and insert "*may*"

Page 2, line 2, after "any" insert "*intentional*"

Page 2, line 5, before "Violation" insert "*Intentional*"

Page 2, line 7, strike "shall" and insert "*may*"

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

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 979: A bill for an act relating to taxation; providing an exemption from the gasoline and special fuels tax for certain municipal transit systems; amending Minnesota Statutes 1976, Sections 296.02 and 296.025, by adding subdivisions.

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

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 1134: A bill for an act relating to cities; exempting transit systems owned by the cities of Mankato and North Mankato from gasoline and special fuels tax.

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. 811: A bill for an act relating to collection and dissemination of data; clarifying information practices; defining terms; classifying data; prescribing penalties; amending Minnesota Statutes 1976, Sections 15.162, Subdivisions 3, 5, and 6; 15.163, Subdivision 1, and by adding subdivisions; 15.165; 15.1671; 15.17, by adding a subdivision; 138.18; 144.065; 144.346; 297A.43;

435.194; and Chapters 15, 134, 144, 273, 299C, 327 and 375, by adding sections; repealing Minnesota Statutes 1976, Sections 15.162, Subdivisions 1a, 2a, 5a, and 5b; 15.163, Subdivision 2; 15.1641; and 15.1642.

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 1976, Section 15.162, Subdivision 1, is amended to read:

15.162 [COLLECTION, SECURITY AND DISSEMINATION OF RECORDS, DEFINITIONS.] Subdivision 1. As used in sections 15.162 to 15.1671 and sections 13 to 20 the terms defined in this section have the meanings given them.

Sec. 2. Minnesota Statutes 1976, Section 15.162, Subdivision 2a, is amended to read:

Subd. 2a. "Confidential data on individuals" means data which is ~~:(a) made not public by statute or federal law applicable to the data and is inaccessible to the individual subject of that the data ; or (b) collected by a civil or criminal investigative agency as part of an active investigation undertaken for the purpose of the commencement of a legal action; provided that the burden of proof as to whether such investigation is active or in anticipation of a legal action is upon the agency. Confidential data on individuals does not include arrest information that is reasonably contemporaneous with an arrest or incarceration. The provision of clause (b) shall terminate and cease to have force and effect with regard to the state agencies, political subdivisions, statewide systems, covered by the ruling, upon the granting or refusal to grant an emergency classification pursuant to section 15.1642 of both criminal and civil investigative data, or on June 30, 1977, whichever occurs first.~~

Sec. 3. Minnesota Statutes 1976, Section 15.162, Subdivision 3, is amended to read:

Subd. 3. "Data on individuals" includes all records, files and processes which contain any data in which an individual is or can be identified and which is kept *retained* or intended to be kept *retained* on a permanent or temporary basis. It includes that *data* collected, stored, and or disseminated by manual, mechanical, electronic or any other means. Data on individuals includes data is classified as public, private or confidential.

Sec. 4. Minnesota Statutes 1976, Section 15.162, Subdivision 4, is amended to read:

Subd. 4. "Individual" means a natural person. In the case of a minor individual under the age of 18, "individual" shall mean includes a parent or guardian acting in a representative capacity, except where such minor individual indicates otherwise or an individual acting as a parent or guardian in the absence of a parent or guardian, except that the responsible authority shall withhold

data from parents or guardians, or individuals acting as parents or guardians in the absence of parents or guardians, upon request by the minor if the responsible authority determines that withholding the data would be in the best interest of the minor.

Sec. 5. Minnesota Statutes 1976, Section 15.162, Subdivision 5, is amended to read:

Subd. 5. "Political subdivision" includes counties, municipalities, townships, statutory and home rule charter cities, school districts, special districts and any boards, commissions, districts or authorities created pursuant to law, local ordinance or charter provision. 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. 6. Minnesota Statutes 1976, Section 15.162, Subdivision 5a, is amended to read:

Subd. 5a. "Private data on individuals" means data which is made by statute or federal law applicable to the data: (a) not public; and (b) is accessible to the individual subject of that data. Private data on individuals does not include information that is reasonably contemporaneous with an arrest or incarceration.

Sec. 7. Minnesota Statutes 1976, Section 15.162, Subdivision 6, is amended to read:

Subd. 6. "Responsible authority" at the in a state level agency or statewide system means any office established the state official designated by law or by the commissioner as the body individual responsible for the collection and use and dissemination of any set of data on individuals or summary data. "Responsible authority" in any political subdivision means the person individual designated by the governing board body of that political subdivision as the individual responsible for the collection, use, and dissemination of any set of data on individuals or summary data, unless otherwise provided by state law. With respect to statewide systems, "responsible authority" means the state official involved, or if more than one state official, the official designated by the commissioner.

Sec. 8. Minnesota Statutes 1976, Section 15.162, is amended by adding a subdivision to read:

Subd. 10. "Designee" means any individual designated by a responsible authority to aid in the administration of data on individuals.

Sec. 9. Minnesota Statutes 1976, Section 15.163, is amended to read:

15.163 [DUTIES OF RESPONSIBLE AUTHORITY.] Subdivision 1. [ANNUAL INVENTORY OF RECORDS.] *The responsible authority may appoint one or more designees to supervise each file or system containing data on individuals. On or before August 1, 1976, the responsible authority shall prepare a public document containing his name, title and address, and a description of each category of record, file, or process relating to private or confidential data on individuals maintained by his state agency, statewide system, or political subdivision. Forms used to collect private and confidential data shall be included in the public document. Beginning August 1, 1977 and annually thereafter, the responsible authority shall update the public document and make any changes necessary to keep it accurate maintain the accuracy of the document. The document shall be available from the responsible authority to the public in accordance with the provisions of section 15.17.*

~~Subd. 2. The commissioner may require responsible authorities to submit copies of the public document required in subdivision 1, and may request additional information relevant to data collection practices, policies and procedures.~~

~~Subd. 2. [STANDARDS FOR COLLECTION AND STORAGE.] Collection, storage, use, and dissemination of data on individuals by political subdivisions, statewide systems and state agencies is limited to that reasonably necessary for the administration and management of programs specifically authorized by the legislature or local governing body, or mandated by federal law.~~

~~Subd. 3. [ACCESS; GENERAL RULE.] Private or confidential data on an individual shall not be collected, stored, used or disseminated by political subdivisions, statewide systems or state agencies for any purposes other than those stated to the individual at the time of collection in accordance with section 15.165, except as provided in this subdivision.~~

~~(a) Data collected prior to August 1, 1975, may be used and disseminated for the purposes for which the data was originally collected or for purposes which are specifically approved by the commissioner as necessary to public health, safety, or welfare.~~

~~(b) All private or confidential data may be used and disseminated to individuals or agencies specifically authorized access to that data by state or federal law subsequent to the collection of the data.~~

~~(c) All private data shall be used by and disseminated to individuals, businesses, corporations, agencies or other entities if the individual subject or subjects of the data have given their informed consent. Whether a data subject has given informed consent shall be determined by rules of the commissioner.~~

~~Subd. 4. [DATA PROTECTION.] The responsible authority shall establish procedures to assure that all data on individuals is accurate, complete, and current for the purposes for which it was collected. Emphasis shall be placed on the data security requirements of computerized files containing private or confidential data~~

on individuals, which are accessible directly via telecommunications technology.

Subd. 5. [CONTRACTS.] Except as provided in sections 13, 15 and 16, every contract between a state agency, political subdivision or statewide system and any person, business, corporation or other entity, whether for profit or not for profit, shall require that data on individuals made available to the contracting parties which pertains to the subject of the contract be handled pursuant to sections 15.162 to 15.1671 and sections 13 to 20. Contracting parties shall protect private and confidential data on individuals according to the provisions set forth in statutes applicable to that data.

Subd. 6. [PREPARATION OF SUMMARY DATA.] The use of summary data derived from private or confidential data on individuals under the jurisdiction of one or more responsible authorities shall be permitted. Summary data is public. The responsible authority shall prepare summary data from private or confidential data on individuals upon the request of any person, provided that the request is in writing and the cost of preparing the summary data is borne by the requesting person. The responsible authority may delegate the power to prepare summary data to the administrative officer responsible for any central repository of summary data, or to a person outside of its agency if the person agrees in writing not to disclose private or confidential data on individuals.

Subd. 7. [PUBLICATION OF ACCESS PROCEDURES.] The responsible authority shall prepare a public document setting forth the rights of the data subject pursuant to section 15.165 and the specific procedures in effect in the state agency, statewide system or political subdivision for access by the data subject to public or private data on individuals.

Sec. 10. Minnesota Statutes 1976, Section 15.1642, is amended 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.

Upon the filing of an application for emergency classification, the data which is the subject of the application shall be deemed to be classified as set forth in the application for a period of 60 days, or until the application is disapproved or granted, whichever is earlier.

Subd. 2. [CONTENTS OF APPLICATION.] An application for emergency classification shall include and the applicant shall have the burden of clearly establishing 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, if any, and by the public;

(c) That a compelling need exists for immediate emergency classification, which if not granted could adversely affect the public interest or the health, safety, well being or reputation of the data subject.

Subd. 3. The commissioner shall either grant or disapprove the application for emergency classification within 60 days after it is filed. If the commissioner disapproves the classification, he shall set forth in detail his reasons for the disapproval, and shall include a statement of what classification he believes is appropriate for the data which is the subject of the application. Ten days after the date of the commissioner's disapproval of an application, the data which is the subject of the application shall become public data on individuals, unless the responsible authority submits an amended application for emergency classification which requests the classification deemed appropriate by the commissioner in his statement of disapproval or which sets forth additional information relating to the original proposed classification. Upon the filing of an amended application, the data which is the subject of the amended application shall be deemed to be classified as set forth in the amended application for a period of 30 days or until the amended application is granted or disapproved, whichever is earlier. The commissioner shall either grant or disapprove the amended application within 30 days after it is filed. Ten days after the date of the commissioner's disapproval of the amended application, the data which is the subject of the application shall become public data on individuals. No more than one amended application may be submitted for any single file or system which contains data on individuals.

If the commissioner grants ~~the~~ an application for emergency classification, it shall be ~~submitted with~~ become effective immediately, and the complete record relating to the application shall be submitted 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. If the attorney general disapproves a classification, the data which is the subject of the classification shall become public data ten days after the date of the attorney general's disapproval.

Subd. 3 4. [EXPIRATION OF EMERGENCY CLASSIFICATION.] All emergency classifications granted under this section and still in effect shall expire on June 30, 1977 1978 . No emergency classifications shall be granted after June 30, 1977 1978 .

Sec. 11. Minnesota Statutes 1976, Section 15.165, is amended to read:

15.165 [RIGHTS OF SUBJECTS OF DATA.] *Subdivision 1.*

The rights of individuals on whom the data is stored or to be stored shall be as follows: *set forth in this section.*

(a) *Subd. 2.* An individual asked to supply private or confidential data concerning himself shall be informed of: ~~(1) both~~ (a) the purpose and intended use of the requested data ; ~~(2)~~ *within the collecting state agency, political subdivision or state-wide system;* (b) whether he may refuse or is legally required to supply the requested data ; and ~~(3)~~ ; (c) any known consequence arising from his supplying or refusing to supply private or confidential data ; and (d) *that the data may be transferred to other persons or entities authorized by state or federal law to receive the data .*

(b) *Subd. 3.* Upon request to a responsible authority, an individual shall be informed whether he is the subject of stored data on individuals, and whether it ~~be~~ is classified as public, private or confidential. Upon his further request, an individual who is the subject of stored ~~public or~~ private data on individuals shall be shown the data without any charge to him and, if he desires, *shall be* informed of the content and meaning of that data. After an individual has been shown the *private* data and informed of its meaning, the data need not be disclosed to him for six months thereafter unless a dispute or action pursuant to this section is pending or additional data on the individual has been collected. The responsible authority shall provide copies of the *private* data upon request by the individual subject of the data ; ~~provided that~~ . The cost of providing copies is *shall be* borne by the requesting individual.

The responsible authority shall comply immediately, if possible, with any request made pursuant to this subdivision, or within five days of the date of the request, excluding Saturdays, Sundays and legal holidays, if immediate compliance is not possible. If he cannot comply with the request within that time, he shall so inform the individual, and may have an additional five days within which to comply with the request, excluding Saturdays, Sundays and legal holidays.

(c) *Subd. 4.* An individual may contest the accuracy or completeness of public or private data concerning himself. To exercise this right, an individual shall notify in writing the responsible authority describing the nature of the disagreement. The responsible authority shall within 30 days *either:* (a) correct the data if ~~the~~ data is found to be inaccurate or incomplete and attempt to notify past recipients of inaccurate or incomplete data, *including recipients named by the individual;* or (b) notify the individual of ~~disagreement~~ *that he believes the data to be correct .* Private data in dispute shall not be disclosed except under conditions of demonstrated need and then only if the individual's statement of disagreement is included with the disclosed data. *Public data in dispute may be disclosed pursuant to section 15.17, and the individual's statement of disagreement shall be included with the disclosed data.*

The determination of the responsible authority is ~~appealable~~

in accordance with may be appealed pursuant to the provisions of the administrative procedure act relating to contested cases.

Sec. 12. Minnesota Statutes 1976, Section 15.1671, is amended to read:

15.1671 [DUTIES OF THE COMMISSIONER.] *Subdivision 1.* The commissioner shall , with the advice of the intergovernmental information services advisory council , promulgate rules , in accordance with the rulemaking procedures in the administrative procedures act , which shall apply to state agencies, statewide systems and political subdivisions to implement the enforcement and administration of sections 15.162 to ~~15.169~~ 15.1671 . The rules shall not affect ~~section 15.165, relating to rights of subjects of data, and section 15.169, relating to the powers and duties of the privacy study commission~~ *classify data on individuals* . Prior to the adoption of rules authorized by this section the commissioner shall give notice to all state agencies and political subdivisions in the same manner and in addition to other parties as required by section 15.0412, subdivision 3, of the date and place of hearing, enclosing a copy of the rules and regulations to be adopted.

Subd. 2. *The commissioner may require responsible authorities to submit copies of the public documents required by section 15.163, subdivisions 1 and 7, and may request additional information relevant to data collection practices, policies and procedures of any responsible authority.*

Sec. 13. Minnesota Statutes 1976, Chapter 15, is amended by adding a section to read:

[15.1690] [HOSPITALS; NURSING HOMES.] *Sections 15.162 to 15.1671 and sections 14, 15 and 16 do not apply to data on individuals relating to the diagnosis and treatment of individuals which is collected, stored, used or disseminated by any hospital, nursing home, or boarding care home licensed pursuant to sections 144.50 to 144.56, or 144.583, or chapter 144A.*

Sec. 14. Minnesota Statutes 1976, Chapter 15, is amended by adding a section to read:

[15.1691] [PUBLIC DATA ON INDIVIDUALS.] *Data on individuals collected, stored, used, or disseminated by a state agency, statewide system, or political subdivision is public unless otherwise classified by federal statute or federal agency rule having the force and effect of law, or by state statute, a state supreme court decision, or by an emergency classification granted pursuant to section 15.1642 or by a classification established pursuant to section 29. Public data on individuals is available upon request for inspection and copying at reasonable times and places, pursuant to section 15.17.*

Sec. 15. Minnesota Statutes 1976, Chapter 15, is amended by adding a section to read:

[15.1692] [MEDICAL DATA.] *Subdivision 1.* [DEFINITIONS.] *"Medical data" means data relating to the medical, psy-*

chiatric, or mental health of any person, including diagnosis, progress charts, treatment received, case histories, and opinions of health care providers.

Subd. 2. [CLASSIFICATION.] Except as otherwise provided in subdivision 3 or any other law, medical data collected, maintained, used or disseminated by the state board of health, the welfare system as defined in section 16, subdivision 1(c), or by a state agency, political subdivision or statewide system is private data on individuals, and shall not be disclosed except:

(a) Pursuant to section 15.163;

(b) Pursuant to a valid court order;

(c) Pursuant to a statute specifically authorizing access to the private data;

(d) by the state board of health:

(1) to determine eligibility, amount of assistance and the need to provide services of a program to the individual;

(2) to administer federal funds or programs;

(3) to local boards of health, county and city health departments and community health services agencies working in a program for which authority is vested in the state board of health or in the agency to which the data is disclosed.

Subd. 3. [MEDICAL DATA; CONTRACTS.] Medical data collected, maintained, used or disseminated by a private health care provider, other than a private hospital, nursing home or boarding care home, under a contract with a state agency, political subdivision, or statewide system is private data on individuals and shall be subject to the provisions of sections 15.162 to 15.1671, and this section, except that the provisions of section 15.165, subdivision 3, shall not apply to the data if the contract provides that:

(1) Upon written request of the individual who is the subject of the data, the health care provider shall supply the individual complete information concerning the individual's diagnosis, treatment and prognosis, to the extent the information is available to the provider, in terms and language the individual can reasonably be expected to understand; and

(2) The health record, or pertinent portion of the record relating to a specific condition, or a summary of the record, including laboratory reports, x-rays, prescriptions, and other technical information used in assessing the individual's health condition shall be shown to the individual without charge; and

(3) Copies of the individual's health record, or a summary of the record, and copies of laboratory reports, x-rays, prescriptions, and other technical information, shall be provided to the individual upon request, at the expense of the individual.

Subd. 4. [EXCEPTION; SAFETY OF DATA SUBJECT OR OTHERS.] Medical data which a licensed physician has deter-

mined and substantiated in writing to be harmful to the treatment of the data subject or to be reasonably expected to cause injury to the data subject, or to be used by the data subject to cause injury to others, if the data subject were allowed access to the data, may be released by the physician to a third party in addition to or in lieu of the data subject.

If a licensed psychologist, consulting psychologist, or physician reasonably determines that the failure to disclose medical data to a third party may expose the third party to a threat of substantial physical harm, or may significantly affect the health or safety of the third party, he may disclose the data to the third party.

Sec. 16. Minnesota Statutes 1976, Chapter 15, is amended by adding a section to read:

[15.1693] [WELFARE DATA.] *Subdivision 1. [DEFINITIONS.] (a) "Individual" means an individual pursuant to section 15.162, subdivision 4, but does not include a vendor of medical services.*

(b) "Program" includes all programs for which authority is vested in a member of the welfare system pursuant to statute or federal law.

(c) "Welfare system" includes the department of public welfare, county welfare boards, human services boards, community mental health boards, state hospitals, state nursing homes, and persons, agencies, institutions, organizations and other entities under contract to any of the above agencies to the extent specified in the contract.

Subd. 2. [GENERAL.] Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used or disseminated by the welfare system is private data on individuals, and shall not be disclosed except:

(a) Pursuant to section 15.163;

(b) Pursuant to a valid court order;

(c) Pursuant to a statute specifically authorizing access to the private data;

(d) To cooperate with an investigation, prosecution, criminal or civil proceeding relating to the administration of a program;

(e) To determine eligibility, amount of assistance, and the need to provide services of a program to the individual;

(f) To administer federal funds or programs;

(g) Between members of the welfare system working in the same program.

Subd. 3. [INVESTIGATIVE DATA.] Data collected, maintained, used or disseminated by the welfare system in an investigation, authorized by statute and relating to the enforcement of

rules or law, is confidential pursuant to section 15.162, subdivision 2a, and shall not be disclosed except:

(a) Pursuant to section 15.163;

(b) Pursuant to statute or valid court order;

(c) To a party named in a civil or criminal proceeding, administrative or judicial, for preparation of defense.

After presentation in evidence at any public hearing, or if not presented, after final disposition of the charge, the data shall be public data on individuals.

Subd. 4. [LICENSING DATA.] The names and addresses of persons licensed or registered under the authority of the commissioner, and the status of the license or registration, is public data on individuals.

Subd. 5. [MEDICAL DATA; CONTRACTS.] Data relating to the medical, psychiatric or mental health of any person, including diagnosis, progress charts, treatment received, case histories, and opinions of health care providers, which is collected, maintained, used or disseminated by a private health care provider, other than a private hospital, nursing home or boarding care home, under contract to any agency of the welfare system shall be handled pursuant to section 15.

Subd. 6. [OTHER DATA.] Data collected, used, maintained or disseminated by the welfare system that is not data on individuals is public pursuant to section 15.17.

Sec. 17. Minnesota Statutes 1976, Chapter 15, is amended by adding a section to read:

[15.1694] [PERSONNEL DATA.] *Subdivision 1. "Personnel data" means data on individuals collected because the individual is or was an employee of or an applicant for employment by a state agency, statewide system or political subdivision.*

Subd. 2. Except for employees described in subdivision 4, personnel data on current and former employees is public if it is one of the following: name; actual gross salary; salary range; actual gross pension; the value and nature of employer paid fringe benefits; job title; job description; education and training background; previous work experience; date of first and last employment; the status of any complaints or charges against the employee, whether or not the complaint or charge resulted in disciplinary action; and the final disposition of any disciplinary action and supporting documentation.

Subd. 3. All other personnel data is private data on individuals.

Subd. 4. All personnel data maintained by any state agency, statewide system or political subdivision relating to an individual employed as or an applicant for employment as an undercover law enforcement officer is private data on individuals.

Sec. 18. Minnesota Statutes 1976, Chapter 15, is amended by adding a section to read:

[15.1695] [CRIMINAL JUSTICE DATA.] *Subdivision 1. (a) "Arrest data" includes: (1) the name, age, sex, and address of an arrested individual; (2) the nature of the charge against the arrested individual; (3) the time and place of the arrest; (4) the identity of the arresting agency; and (5) information as to whether the individual has been incarcerated and the place of the incarceration.*

(b) "Crime or incident data" includes (1) the fact that a crime or incident has been reported; (2) the nature of the incident or crime; (3) the age and sex of the victim; (4) the general locale, date and time of the crime or incident; and (5) whether one or more specific suspects are being sought.

Subd. 2. [PUBLIC DATA.] Arrest data and crime or incident data is public data on individuals, and is accessible pursuant to section 15.17.

Subd. 3. [CRIME DETERRENCE OR PREVENTION DATA.] Data compiled as part of a specific program to deter or prevent crime, to register or license goods, including handguns, or to assist in the recovery of stolen goods is private data on individuals, including identification markings, location and description of security devices, photographs and floor plans of the premises, and occasions when the premises will be vulnerable to unauthorized entrance.

Subd. 4. [CRIMINAL INVESTIGATION DATA.] Data collected by a law enforcement officer or criminal justice agency in the course of an active investigation related to an alleged criminal act or incident is confidential data on individuals, and shall not be disclosed or disseminated except:

(a) Pursuant to section 15.163;

(b) Pursuant to statute or valid court order;

(c) Pursuant to the rules of criminal procedure to a party named in a criminal proceeding for the preparation of a defense;

(d) Between criminal justice agencies investigating the same or related criminal acts;

(e) Between criminal justice agencies and civil investigative agencies to cooperate with an investigation or prosecution relating to the enforcement of laws or rules within the jurisdiction of the civil investigative agencies;

(f) Between criminal justice agencies and private individuals or organizations to cooperate with an investigation or prosecution of a criminal act of which the individual or organization is a victim or witness; or

(g) To the public, if the collecting criminal justice agency or law enforcement officer determines that disclosure of the data would be in the public interest or is necessary to protect the public health or safety.

Sec. 19. Minnesota Statutes 1976, Chapter 15, is amended by adding a section to read:

[15.1696] [EDUCATIONAL DATA.] *Subdivision 1. (a) "Educational data" means data on individuals maintained by an educational agency or institution or by a person acting for the agency or institution which relates to a student, but does not include:*

(1) *records of instructional personnel which are in the sole possession of the maker thereof and are not accessible or revealed to any other individual except a substitute teacher, and are destroyed at the end of the school year;*

(2) *records of a law enforcement unit or an educational agency or institution which are maintained apart from the records described in clause (a) and are maintained solely for law enforcement purposes, and are not disclosed to individuals other than law enforcement officials of the jurisdiction; provided, that education records maintained by the educational agency or institution are not disclosed to the personnel of the law enforcement unit;*

(3) *records relating to a student who is employed by an educational agency or institution which are made and maintained in the normal course of business, relate exclusively to the individual in that individual's capacity as an employee, and are not available for use for any other purpose.*

(b) *"Student" includes a person currently or formerly enrolled or registered, and applicants for enrollment or registration at an educational agency or institution.*

(c) *"Substitute teacher" means an individual who performs on a temporary basis the duties of the individual who made the record, but does not include an individual who permanently succeeds the maker of the record in his position.*

Subd. 2. Except as provided in subdivision 4, educational data is private data on individuals and shall not be disclosed except as follows:

(a) *Pursuant to section 15.163;*

(b) *Pursuant to a valid court order;*

(c) *Pursuant to a statute specifically authorizing access to the private data;*

(d) *To disclose information in health and safety emergencies pursuant to the provisions of 20 U.S.C. Sec. 1232g (6) (1) (I) and 45 C.F.R. Sec. 99.36 which are in effect on the effective date of this act;*

(e) *Pursuant to the provisions of 20 U.S.C. 1232 (g) (b) (1), (b)(4)(a), (b)(4)(B), (b)(3) and 45 C.F.R. Sec. 99.31, Sec. 99.32, Sec. 99.33, Sec. 99.34 and Sec. 99.35 which are in effect on the effective date of this act.*

Subd. 3. A student shall not have the right of access to private data provided in section 15.165, subdivision 3, as to financial

records and statements of his parents or any information contained therein.

Subd. 4. Information designated as directory information pursuant to the provisions of 20 U.S.C. Sec. 1232 g and regulations adopted pursuant thereto which are in effect on the effective date of this act is public data on individuals.

Sec. 20. Minnesota Statutes 1976, Chapter 15, is amended by adding a section to read:

[15.1697] [STATE BOARD OF HEALTH DATA.] *Subdivision 1. [INVESTIGATIVE DATA.] Data collected, maintained, used or disseminated by the state board of health in an investigation authorized by statute and relating to individuals licensed or otherwise credentialed by the state board of health, is confidential data on individuals, and shall not be disclosed except:*

(a) Pursuant to section 15.163;

(b) Pursuant to valid court order;

(c) To cooperate with an investigation, prosecution, criminal or civil proceeding relating to the administration of a program or enforcement of rules or law within the jurisdiction of the state board of health;

(d) To a party named in a civil or criminal proceeding, administrative or judicial, for preparation of a defense.

After presentation in evidence at a public hearing, or if not presented, after final disposition of the charge, the data shall be public data on individuals.

Sec. 21. Minnesota Statutes 1976, Chapter 15, is amended by adding a section to read:

[15.178] [DEFINITIONS.] *Subdivision 1. As used in sections 15.17 to 15.174 and sections 21 to 28, the following terms have the meanings set forth in this section.*

Subd. 2. "Governmental agency" means a state agency, political subdivision or statewide system, as defined in section 15.162, subdivisions 5, 7 and 8.

Subd. 3. "Person" means any individual, partnership, corporation, association, business trust, legal representative or organization.

Subd. 4. "Responsible authority" means the individual designated pursuant to section 15.17, subdivision 2 to be responsible for the collection, use, storage and dissemination of the public data of a governmental agency.

Sec. 22. Minnesota Statutes 1976, Section 15.17, Subdivision 1, is amended to read:

15.17 [PUBLIC DATA.] *Subdivision 1. [GENERALLY.] All officers and agencies of the state, and all officers and agencies of the counties, cities and towns, shall make and keep all records*

necessary to a full and accurate knowledge of their official activities. All such public records shall be made on paper of durable quality and with the use of ink, carbon papers, and typewriter ribbons of such quality as to insure permanent records. Every public officer, and every county officer with the approval of the county board, is empowered to record or copy records by any photographic, photostatic, microphotographic, or microfilming device, approved by the Minnesota historical society, which clearly and accurately records or copies them, and such public officer or such county officer may make and order that such photographs, photostats, microphotographs, microfilms, or other reproductions, be substituted for the originals thereof, and may direct the destruction or sale for salvage or other disposition of the originals from which the same were made. Any such photographs, photostats, microphotographs, microfilms, or other reproductions so made shall for all purposes be deemed the original recording of such papers, books, documents and records so reproduced when so ordered by any officer with the approval of the county board, and shall be admissible as evidence in all courts and proceedings of every kind. A facsimile or exemplified or certified copy of any such photograph, photostat, microphotograph, microfilm, or other reproduction, or any enlargement or reduction thereof, shall have the same effect and weight as evidence as would a certified or exemplified copy of the original. All data collected, stored, used or disseminated by a governmental agency which is necessary to a full and accurate knowledge of the official activities of the governmental agency is public and shall be handled pursuant to this section, unless federal law applicable to the data or statute classifies the data as private or confidential. Data which is not public shall not be disclosed unless access by the requester is expressly authorized by federal law or statute, and only to the extent of the express authorization.

Sec. 23. Minnesota Statutes 1976, Section 15.17, Subdivision 2, is amended to read:

Subd. 2. [RESPONSIBILITY FOR RECORDS.] The chief administrative officer of Each public governmental agency shall designate an individual to be responsible for the preservation and care collection, use, storage and dissemination of the agency's public records, which shall include written or printed books, papers, letters, contracts, documents, maps, plans, and other records made or received pursuant to law or in connection with the transaction of public business data . It The responsible authority so designated shall be the duty of each such agency, and of the chief administrative officer thereof, to carefully protect and preserve public records data which is required to be preserved from deterioration, mutilation, loss, or destruction , pursuant to rules of the commissioner of administration to implement chapter 138 . Records or record books may be repaired, renovated, or rebound when necessary to preserve them properly.

Sec. 24. Minnesota Statutes 1976, Section 15.17, Subdivision 4, is amended to read:

Subd. 4. [ACCESS.] Every custodian of public records shall keep them in such arrangement and condition as to make them easily accessible for convenient use. Photographic, photostatic, microphotographic, or microfilmed records shall be considered as accessible for convenient use regardless of the size of such records. Except as otherwise expressly provided by law, he shall permit all public records in his custody to be inspected, examined, abstracted, or copied at reasonable times and under his supervision and regulation by any person; and he shall, upon the demand of any person, furnish certified copies thereof on payment in advance of fees not to exceed the fees prescribed by law. Full convenience and comprehensive accessibility shall be allowed to researchers including historians, genealogists and other scholars to carry out extensive research and complete copying of all public records except as otherwise expressly provided by law. Upon request to a responsible authority, a person shall be permitted at reasonable times and places to inspect or copy public data, and if he desires, to be informed of the content and meaning of the public data. The responsible authority shall provide copies of the public data upon request, provided that the requester bears the actual cost of compiling and duplicating the copy and any other reasonable fee authorized by statute. Full convenience and comprehensive accessibility shall be allowed to researchers to carry out research and to copy all public data.

If data requested is not public, and the requester does not submit evidence of his express statutory authorization for access to the data, he shall, upon his request, be informed in writing of the classification of the data requested and the citation of the federal law or statute that classifies the data. Requests for nonpublic data on individuals shall be handled pursuant to section 15.165.

Sec. 25. Minnesota Statutes 1976, Section 15.17, is amended by adding subdivisions to read:

Subd. 5. [REASONABLE DELAY.] If copies of public data are requested, or if nonpublic data is requested by an unauthorized person, reasonable delay in granting a request may result. The responsible authority shall insure that the requester is informed of the reasons for any delay, and of all remedies available under sections 15.162 to 15.1671 and section 27.

Subd. 6. [WAIVER OR REDUCTION OF FEE.] Documents shall be furnished without charge or at a reduced charge if the responsible authority determines that waiver or reduction of the fee is in the public interest.

Subd. 7. [PRIVATE AND CONFIDENTIAL DATA ON INDIVIDUALS.] This section does not apply to private or confidential data on individuals. Private and confidential data on individuals shall be handled pursuant to sections 15.162 to 15.1671 and sections 13 to 20.

Sec. 26. Minnesota Statutes 1976, Section 15.171, is amended to read:

15.171 [COMPILATION, MAINTENANCE AND STORAGE OF DATA.] *Subdivision 1. [GENERALLY.]* Notwithstanding any other law, any public officer responsible authority who has jurisdiction over a collection of official records data may select and use, subject to the approval of the commissioner of administration, alternative methods for the compilation, maintenance and storage of the information contained in those records, data subject to the following conditions:

(1) The methods selected must provide for access to the information contained in the records data by those authorized by law to have access to that information ; and

(2) The methods selected must provide for the preservation of the information contained in the records data to the extent specified by law.

Subd. 2. [LISTS OF PUBLIC DATA AVAILABLE.] Each governmental agency shall maintain a public document listing the public data stored by the governmental agency by subject matter. The list shall include a description of the governmental agency, its duties and functions, and where requests for data may be made.

Subd. 3. [REPORT ON REQUESTS FOR DATA.] By August 1 of each calendar year, each governmental agency shall report to the commissioner of administration the number of requests for data which were denied, the number of actions and the dispositions of actions filed under sections 27 and 28, and recommendations for legislation relating to classification of or access to data. The commissioner of administration shall compile the reports and report to the legislature by November 1 of each year.

Sec. 27. [15.175] [CIVIL REMEDY.] *Subdivision 1. [FILING ACTION.]* A person whose request for data under section 15.17, subdivision 4 is denied or ignored may file an action in district court of the county in which the office of the responsible authority is located or in which the request was made, to compel disclosure of the data. The hearing shall be held at the earliest practicable time, and shall have priority over all matters not brought pursuant to this section. The data requested shall be viewed by the court in camera, but the court shall hold a public hearing in a manner designed to protect the confidentiality of the data. The court shall determine the classification of the data requested, and, if the data is nonpublic, whether the requester is authorized to receive the data. The burden shall be on the governmental agency to prove, by clear and convincing evidence, that the data is classified as private or confidential, and that the requester is not authorized by statute or federal law to receive the data. If the data is public, or if the data is nonpublic and the requester is authorized by statute or federal law to receive the data, the court shall order its disclosure to the requester and enjoin the governmental agency from withholding the data except as authorized.

Subd. 2. [UNUSUAL CIRCUMSTANCES.] If the governmental agency shows that unusual circumstances have caused delay in complying with the request and that the responsible authority

has complied with section 15.17, subdivision 5, the court shall retain jurisdiction and set a date by which the request shall be granted.

For the purposes of this subdivision, unusual circumstances include only:

(1) the need to search for and collect the requested records from field facilities or other establishments that are separate from the office processing the request; and

(2) the need to search for, collect, and appropriately examine a voluminous amount of separate and distinct records which are demanded in a single request.

Subd. 3. [COSTS.] The court shall award costs, witness fees, and attorney fees to the requester if he prevails. If he does not prevail, the court may award costs and fees as it deems appropriate.

Subd. 4. [ALTERNATIVE REMEDY.] The remedies provided in this section are in lieu of the remedies available under the administrative procedures act.

Sec. 28. [15.176] [CRIMINAL PENALTY.] A governmental agency or responsible authority who willfully fails to comply with section 15.17 or an order of a court under section 27 is guilty of a misdemeanor. Nothing in this section shall be construed to prohibit prosecution for violation of other applicable statutes.

Sec. 29. Minnesota Statutes 1976, Chapter 15, is amended by adding a section to read:

[15.19] The board of regents of the university of Minnesota shall appoint, pursuant to sections 15.162, subdivision 6 and 15.17, subdivision 2, one or more individuals as responsible authorities. The board of regents shall, not inconsistent with statutory classification of data on individuals, develop and promulgate policies and regulations in cooperation with the commissioner of administration, for its standards on data collection, use, storage and access, and the classification thereof. A classification established pursuant to this section shall have the same effect as a classification issued pursuant to section 15.1642, and shall expire on June 30, 1978.

The board of regents shall prepare a report on its standards on data collection, use, storage and access, and the classification thereof for submission to the legislature and the commissioner of administration. The report shall be submitted on or before January 1, 1978.

Sec. 30. [325.125] [TRADE SECRETS.] If a political subdivision or state agency, as defined in section 15.162, subdivisions 5 and 7, requires, pursuant to its authority, any individual, business, corporation, association or partnership under its jurisdiction to submit data relating to trade secrets, the data submitted shall be private.

Sec. 31. [299C.061] [INTRAOFFICE MANUALS.] Office manuals used only by employees or officers of law enforcement agencies or departments and describing procedures or methods used by

those employees and officers when fulfilling their official duties are not public data.

Sec. 32. [REAL PROPERTY APPRAISAL.] *An appraisal of real property made by a state agency or political subdivision, as defined in section 15.162, subdivisions 5 and 7, in anticipation of an agreement or decision to purchase, lease or condemn the property by the state agency or political subdivision, is not public data and shall not be disclosed except (a) if the agreement to purchase, lease or condemn is completed, or (b) if an agreement is not completed, the appraisal is public data after three years.*

Sec. 33. Minnesota Statutes 1976, Section 145.05, is amended to read:

145.05 [POWERS OF HEALTH OFFICER IN ASSUMING JURISDICTION OVER COMMUNICABLE DISEASES.] *The health officer in a municipality or the chairman of the board of supervisors in a town shall employ, at the cost of the health district over which his local board of health has jurisdiction and in which the person afflicted with a communicable disease is located, all medical and other help necessary in the control of such communicable disease, or for carrying out, within such jurisdiction, the lawful regulations and directions of the state board, its officers or employees, and, upon his failure so to do, the state board may employ such assistance at the expense of the district involved. Data collected and maintained by state or local health agencies relating to communicable disease is private, pursuant to section 15.162, subdivision 5a. The state board of health or any person having knowledge of a communicable disease may disseminate private data relating to the investigation of communicable disease to health officers, as is necessary. Any person whose duty it is to care for himself or another afflicted with a communicable disease shall be liable for the reasonable cost thereof to the municipality or town paying such cost, excepting that the municipality or town constituting such district shall be liable for all expense incurred in establishing, enforcing, and releasing quarantine, half of which may be recovered from the county, as provided for under sections 145.06 and 145.07.*

Sec. 34. Minnesota Statutes 1976, Section 144.065, is amended to read:

144.065 [VENEREAL DISEASE TREATMENT CENTERS.] *The state board of health shall assist local health agencies and organizations throughout the state with the development and maintenance of services for the detection and treatment of venereal diseases. These services shall provide for diagnosis, treatment, case finding, investigation, and the dissemination of appropriate educational information. The state board of health shall promulgate regulations rules relative to the composition of such services and shall establish a method of providing funds to local health agencies and organizations which offer such services. The state board of health shall provide technical assistance to such agencies and organizations in accordance with the needs of the local area.*

Data on individuals collected, stored, used, or disseminated

under this section is confidential pursuant to section 15.162, subdivision 2a, and shall not be disclosed except (a) pursuant to section 15.163, or (b) to a health officer for the purposes of treatment, evaluation, or control of the disease.

Sec. 35. Minnesota Statutes 1976, Section 144.346, is amended to read:

144.346 [INFORMATION TO PARENTS.] *Notwithstanding the provisions of section 144.065, the professional may inform the parent or legal guardian of the minor patient of any treatment given or needed where, in the judgment of the professional, failure to inform the parent or guardian would seriously jeopardize the health of the minor patient.*

Sec. 36. Minnesota Statutes 1976, Section 144A.53, Subdivision 2, is amended to read:

Subd. 2. [COMPLAINTS.] *The director may receive a complaint from any source concerning an action of an administrative agency, a health care provider, or a health facility. He may require a complainant to pursue other remedies or channels of complaint open to the complainant before accepting or investigating the complaint.*

The director shall keep written records of all complaints and his action upon them. After completing his investigation of a complaint, he shall inform the complainant, the administrative agency having jurisdiction over the subject matter, the health care provider and the health facility of the action taken.

The identity of individuals who have made complaints pursuant to this section is private information on individuals pursuant to section 15.162, subdivision 5a, and shall not be disclosed except (a) pursuant to section 15.163, or (b) pursuant to subdivision 4 of this section.

Sec. 37. Minnesota Statutes 1976, Chapter 256, is amended by adding a section to read:

[256.979] [ACCESS TO DEPARTMENT OF EMPLOYMENT SERVICES RECORDS.] *Notwithstanding any other provision of law to the contrary, the commissioner of employment services, upon request of an agency of the public welfare system administering or supervising the administration of a state plan approved under part A of Title IV of the Social Security Act or a public agency charged with any duty or responsibility under any program or activity authorized or required under part D of Title IV of the Social Security Act, shall furnish to the requesting agency the following information relating to any individual: (a) whether the individual is receiving, has received, or has made application for unemployment compensation, and the amount of any compensation being received by the individual; (b) the current or most recent home address of the individual; and (c) whether the individual has refused an offer of employment and, if so, a description of the employment offered and the terms, conditions, and rate of pay therefor.*

The commissioner of employment services shall be reimbursed by the requesting agency for the expenses incurred in furnishing the requested information.

Sec. 38. Minnesota Statutes 1976, Section 297A.43, is amended to read:

297A.43 [NATURE OF INFORMATION.] *It shall be unlawful for the commissioner or any other public official or employee to divulge or otherwise make known in any manner any particulars Subdivision 1. Data disclosed in any report or return required by sections 297A.01 to 297A.44, or any information concerning the affairs of the person making the return acquired from his records, officers, or employees while examining or auditing under the authority of sections 297A.01 to 297A.44, by a state agency or political subdivision, as those terms are used in section 15.162, is private data on individuals as defined in section 15.162, subdivision 5a, and shall not be disclosed except :*

(a) *In connection with a proceeding involving taxes due under this chapter or local ordinance from the taxpayer making such report or return or where a question arises as to the proper tax applicable, that is, sales or use tax. In the latter instance, The commissioner may furnish information to a buyer and a seller with respect to the specific transaction in question. Nothing herein contained shall be construed to prohibit the commissioner from publishing statistics so classified as not to disclose the identity of particular returns or reports and the contents thereof. Any person violating the provisions of this section shall be guilty of a gross misdemeanor. ;*

(b) *The commissioner may enter into an agreement with the commissioner or other taxing officials of another state for the interpretation and administration of the acts of their several states providing for the collection of a sales and/or use tax for the purpose of promoting fair and equitable administration of such acts and to eliminate double taxation , , or to furnish information on a reciprocal basis;*

(c) *Notwithstanding the above provisions of this section, The commissioner, at his taxing authority in its discretion, in order to implement the purposes of this chapter, may furnish information on a reciprocal basis to the taxing officials of another state, or to the taxing officials of any municipality of the state of Minnesota which has a local sales and/or use tax.*

Subd. 2. A violation of this section is a gross misdemeanor.

Sec. 39. Minnesota Statutes 1976, Chapter 327, is amended by adding a section to read:

[327.092] [HOTEL-MOTEL TAXES.] *Data on individuals relating to the amount of a special tax assessed by a state agency or political subdivision is private, as defined in section 15.162, subdivision 5a.*

Sec. 40. Minnesota Statutes 1976, Chapter 375, is amended by adding a section to read:

[375.336] [BORROWING RECORDS.] *Data collected, stored, used or disseminated by a library and indicating the books or other materials loaned to a specific individual, or indicating the individuals to whom a specific book or other material has been loaned, is private data on individuals, as defined in section 15.162, subdivision 5a.*

Sec. 41. Minnesota Statutes 1976, Section 435.194, is amended to read:

435.194 [PROCEDURE TO OBTAIN DEFERRED ASSESSMENT.] The homeowner shall make application for deferred payment of special assessments on forms prescribed by the county auditor of the county in which the homestead is located. *The application is private data on individuals, as defined in section 15.162, subdivision 5a.* Where the deferred assessment is granted, the auditor shall record a notice thereof with the county recorder of said county which shall set forth the amount of the assessment. The taxing authority may determine by ordinance or resolution the amount of interest, if any, on the deferred assessment and this rate shall be recorded by the auditor along with and in the same manner as the amount of the assessment.

Sec. 42. Minnesota Statutes 1976, Chapter 462A, is amended by adding a section to read:

[462A.065] [FINANCIAL INFORMATION.] *Financial information, including but not limited to credit reports, financial statements and net worth calculations, received or prepared by the agency regarding any agency loan or grant and the name of each individual who is the recipient of an agency loan or grant are private data on individuals, pursuant to section 15.162, subdivision 5a.*

Sec. 43. [REPEALER.] *Minnesota Statutes 1976, Sections 15.162, Subdivision 1a; 15.1641; and 15.169, are repealed.*

Sec. 44. [EFFECTIVE DATE.] *This act shall be effective July 1, 1977."*

Further, amend the title by striking it in its entirety and insert:

"A bill for an act relating to collection and dissemination of data; clarifying information practices; defining terms; classifying data; permitting access to unemployment compensation information; prescribing penalties; amending Minnesota Statutes 1976, Sections 15.162, Subdivisions 1, 2a, 3, 4, 5, 5a, 6, and by adding a subdivision; 15.163; 15.1642; 15.165; 15.1671; 15.17, Subdivisions 1, 2, 4, and by adding subdivisions; 15.171; 145.05; 144.065; 144.346; 144A.53, Subdivision 2; 297A.43; 435.194; and Chapters 15, 256, 327, 375 and 462A, by adding sections; repealing Minnesota Statutes 1976, Sections 15.162, Subdivision 1a; 15.1641; and 15.169."

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

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 1394: A bill for an act relating to taxation; continuing certain tax incentives for pollution control property; amending Minnesota Statutes 1976, Section 290.06, Subdivision 9.

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

Page 1, line 11, restore the stricken "five" and strike "ten"

Page 1, line 11, restore the stricken "equipment"

Page 1, line 12, strike "property"

Page 1, line 21, restore the stricken "equipment" and strike "property"

Page 2, line 2, strike "\$100,000" and insert "\$75,000"

Page 2, line 3, strike "property" and insert "equipment"

Page 2, line 14, strike "seven" and insert "four"

Page 2, line 18, strike "seven" and insert "four"

Page 2, line 20, strike "six" and insert "three"

Page 2, line 24, strike "\$100,000" and insert "\$75,000"

Page 2, line 27, after the period, insert "*Notwithstanding the provisions of section 290.06, subdivision 9a, to the contrary the credit provided for in this subdivision shall terminate on December 31, 1980.*"

Amend the title as follows:

Page 1, line 3, strike "property" and insert "equipment"

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

Mr. Chenoweth from the Committee on Governmental Operations, to which was re-referred

S. F. No. 202: A bill for an act relating to state government; creating a department of economic security; transferring powers; abolishing the departments of employment services and vocational rehabilitation; appropriating money; amending Minnesota Statutes 1976, Sections 15.01; 15A.081, Subdivision 1; 15.0411, Subdivision 2; 43.09, Subdivision 2a; 62E.52, Subdivision 7; 129A.01; 144.656; 144A.611, Subdivision 3; 144A.10, Subdivision 8; 145.895; 245.75; 245.76; 245.765, Subdivision 1; 245.77; 256.01, Subdivision 2; 256.011; 256.045; 256.462, Subdivision 3; 256.482, Subdivision 1; 256.73, Subdivision 2; 256.736, Subdivisions 2, 3, 4, 5 and 7; 256.75; 256.863; 256.871, Subdivision 7; 256.88; 256.89; 256.90; 256.91; 256.92; 256.965; 256.978; 256B.02, Subdivision 5; 256B.041, Subdivision 6; 256B.064, Subdivision 2; 256B.26; 256B.27; 256B.30; 256B.35, Subdivision 2; 256D.01, Subdivisions 1 and 2; 256D.02, Subdivisions 2, 3, 4 and 11; 256D.11.

Subdivisions 1, 2, 6, 7 and 9; 256D.22; 256D.35, Subdivisions 1, 5 and 6; 256D.39; 256D.41; 261.003; 261.232; 261.25; 268.04, Subdivision 6; Chapter 268, by adding a section; and Laws 1976, Chapter 332, Section 9, Subdivisions 1, 7 and 8; repealing Minnesota Statutes 1976, Sections 129A.02, Subdivision 1; 256.01, Subdivisions 3 and 4; 256.12, Subdivisions 10, 14 and 15; and 256.73, Subdivision 5.

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

Page 1, line 32, after "1." insert "[267.01]"

Page 2, line 10, strike "his" and insert "a"

Page 2, line 10, strike "qualified" and insert "qualifies. If the governor who appointed the commissioner vacates office before the scheduled end of the governor's term, the terms of the commissioner shall end on that date"

Page 2, line 14, strike "He" and insert "The commissioner"

Page 2, line 16, strike "he deems" and insert "deemed"

Page 2, line 17, strike "his" and insert "the"

Page 2, line 19, strike "his"

Page 2, line 19, after "control" insert "of the commissioner"

Page 2, line 21, after "2." insert "[267.02]"

Page 2, strike lines 31 and 32

Page 3, strike lines 1 to 21 and renumber the remaining subdivision

Page 3, after line 26, insert:

"Subd. 3. [CONTINUING IDENTITY OF FUNCTIONS.] The legislature intends that the functions transferred pursuant to subdivisions 1 and 2 should retain their individual identity and visibility to the extent necessary to insure competent service to recipients or clients and to preserve eligibility for the receipt of federal money. Toward this end, the commissioner of economic security and the governor shall submit to the legislature, with respect to the biennium beginning in 1979 and thereafter, individual budget requests for each function transferred to the department; provided, however, that administrative costs chargeable to more than one function may be consolidated into one or more separate budget items. The commissioner may not transfer employees from or assess additional administrative costs to a function within his department without first informing the commissioner of finance, the chairman of the senate committee on finance, and the chairman of the house committee on appropriations."

Page 5, line 18, strike ", with the exception of those"

Page 5, strike lines 19 and 20

Page 5, line 21, strike "43.09, subdivision 2, clause (9),"

Page 5, line 25, after "continued" insert "at the employee's option"

Page 6, line 3, strike "If" and insert "In respect to"

Page 6, line 5, after "Act" and before "are" insert "which"

Page 6, line 18, after "however" insert a comma

Page 6, line 20, strike ", until"

Page 6, line 21, strike "effective date of classified civil service"

Page 6, line 24, after "REVISIONS" insert "; DEPARTMENTAL PLAN"

Page 6, line 24, after ".]" insert "Subdivision 1."

Page 6, line 25, after "shall" insert ", no later than November 15, 1978,"

Page 6, line 26, after "language" insert "to appropriate standing committees of the legislature in draft bill form"

Page 6, after line 31, insert "Within six months after commencement of the departmental operations the commissioner of economic security shall submit a plan to the governor and the legislature. The plan shall be the guide for the organization and management of the department. The plan shall provide for, but not be limited to:

(a) Development of a single departmental process for addressing policy issues and budgets;

(b) Integrating administrative activities, procedures and reporting requirements of department programs;

(c) Reducing administrative costs and unnecessary administrative staff by five percent within two years;

(d) Development of a process for consumer input into the department;

(e) Establishment of a unified local delivery system for state administered department programs;

(f) Integrating program for job training, development and placement services;

(g) Integrating and simplifying client intake and eligibility processes; and

(h) Standardization of administrative boundaries. Each element of the plan shall include a target date for implementation. During the first three years of departmental operation the commissioner of economic security shall, on a semi-annual basis, report on the progress made in implementing the plan to the governor and the legislature. The report shall also compare current and historical productivity measurements.

Subd. 2. In order to analyze the desirability of transferring certain functions of the department of public welfare and the vocational rehabilitation division of the department of education, a joint legislative study committee is created. The study committee shall consist of five members of the senate appointed by the subcommittee on committees of the senate committee on rules and administration, and five members of the house appointed by the speaker. The members shall be appointed from standing committees having jurisdiction over the organization of state government and the functions identified in section 2 and this subdivision. The study committee shall analyze the vocational rehabilitation services plan submitted as a condition to the receipt of federal money, and shall determine whether the inclusion of vocational rehabilitation functions within the department of economic security will impair the delivery of services or the ability to qualify for federal money. In addition, the study committee will analyze the desirability of transferring to the department income maintenance services of the department of public welfare, including state and local general assistance programs, aid to families with dependent children, medical assistance and other similar relief or assistance services. The study committee shall receive the assistance of the governor and employees of the affected agencies. The study committee shall report to the appropriate standing committees its findings and recommendations no later than February 1, 1978. Where appropriate, the study committee shall cause legislation to be introduced in the 1978 legislative session. The study committee shall expire no later than June 30, 1978."

Pages 7 to 10, strike section 6 and insert:

"Sec. 6. Minnesota Statutes 1976, Section 15A.081, Subdivision 1, as amended by Laws 1977, Chapter 35, Section 1, is amended to read:

15A.081 [SALARIES AND SALARY RANGES FOR CERTAIN EMPLOYEES.] Subdivision 1. The following salaries or salary ranges are provided for the below listed employees in the executive branch of government:

	Base Salary or Range
Administration, department of commissioner	\$41,000
Agriculture, department of commissioner	36,000
Attorney general, office of deputy attorney general	23,000 * 42,000
Commerce, department of commissioner of banks	32,000
commissioner of insurance	32,000
commissioner of securities	32,000
executive secretary, commerce commission	27,000

Community college system chancellor	41,000
Corrections, department of commissioner	36,000
ombudsman	32,000
Crime prevention and control, governor's commission on executive director	32,000
Economic development, department of commissioner	32,000
<i>Economic security, department of commissioner</i>	<i>41,000</i>
Education, department of commissioner	41,000
Employment services, department of commissioner	32,000
Energy agency director	36,000
Finance, department of commissioner	45,000
Health, department of commissioner	41,000
Hearing examiners office chief hearing examiner	36,000
Higher education coordinating board executive director	36,000
Housing finance agency executive director	36,000
Human rights, department of commissioner	29,000
Indian affairs board executive director	25,000
Investment, board of executive secretary	41,000
Iron range resources and rehabilitation board commissioner	29,000
Labor and industry, department of commissioner	36,000
judge of the workers compensation court of appeals	36,000
director, mediation services	29,000
Natural resources, department of commissioner	41,000

Personnel, department of commissioner	41,000
Planning agency director	41,000
Pollution control agency director	36,000
Public safety, department of commissioner	36,000
Public service, department of commissioner, public service commission	32,000
director	32,000
Public welfare, department of commissioner	41,000
Revenue, department of commissioner	41,000
State university system chancellor	41,000
Transportation, Department of commissioner	41,000
Veterans affairs, department of commissioner	29,000
Vocational rehabilitation, department of commissioner	32,000

Pages 12 to 23, strike sections 9 to 22

Page 23, line 30, after "23." insert "[267.03]"

Page 23, line 30, strike "*Subdivision 1.*"

Page 24, line 1, after "*commissioner*" insert "*of economic security*"

Page 24, strike lines 5 to 32

Page 25, strike lines 1 to 32

Page 26, strike lines 1 to 23

Pages 26 to 34, strike sections 24 to 27

Page 35, line 1, strike "council" and insert "council"

Pages 35 to 37, strike section 29

Page 37, lines 24 and 25, restore the stricken language "for certification to the commissioner of"

Page 37, line 25, after the stricken word "services" insert "*economic security*"

Page 37, line 26, strike the new language and reinsert the stricken language

Page 39, lines 7 and 9, strike the new language and reinsert the stricken language

Page 39, lines 13 to 15, 16, and 22 to 24, strike the new language and reinsert the stricken language

Page 39, lines 14 to 15, and 23, strike the reinserted "employment services" and insert "*economic security*"

Page 39, line 26, reinsert "to the commissioner of" and after the stricken "services" insert "*economic security*"

Page 40, lines 30 and 31, reinsert the stricken "public welfare shall cooperate with the commissioner of"

Page 40, line 32, strike "*shall*" and insert "*to*"

Pages 41 to 53, strike sections 34 to 57

Page 54, lines 1 and 9, after "*commissioner*" insert "*of economic security*"

Page 54, line 21, after the stricken language insert "*of economic security*"

Page 55, line 8, after the stricken language insert "*of economic security*"

Page 55, line 18, reinsert the stricken language

Page 55, lines 18 and 19, strike "employment services" and insert "*economic security*"

Pages 55 to 59, strike sections 63 to 71

Page 59, strike lines 9 and 10

Page 59, line 11, strike "[268.027]" and insert "Sec. 20 [267.04]"

Page 59, line 32, strike "*economic security*" and insert "*education*"

Page 60, line 2, strike "*economic security*" and insert "*education*"

Page 60, line 9, strike "*Sections*" and insert "*Section*"

Page 60, line 10, strike everything after "*Subdivision 1*"

Page 60, strike line 11, and insert ", is"

Page 60, line 15, after "\$150,000" insert "*for the biennium beginning July 1, 1977,*"

Page 60, line 27, after the period insert "*The creation of a department of vocational rehabilitation pursuant to Laws 1976, Chapter 332 shall not occur, and the administration of vocational rehabilitation programs shall remain in the department of education. The state vocational rehabilitation plan shall be amended to conform with the provisions of this act.*"

Page 60, strike lines 28 to 32

Page 61, strike lines 1 to 23

Renumber sections accordingly

Further, amend the title as follows:

Strike the title and insert:

"A bill for an act relating to state government; creating a department of economic security; transferring powers; abolishing the department of employment services and the governor's manpower office; providing that the creation of a department of vocational rehabilitation shall not occur and providing for a legislative study of the transfer of certain other functions; appropriating money; amending Minnesota Statutes 1976, Sections 15.01; 15.0411, Subdivision 2; 15A.081, Subdivision 1, as amended; 43.09, Subdivision 2a; 256.482, Subdivision 1; 256.736, Subdivisions 2, 3, 4, and 5; 256D.11, Subdivisions 1, 2, 6, 7, and 9; and 268.04, Subdivision 8; repealing Minnesota Statutes 1976, Section 129A.02, Subdivision 1."

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. 530, 8, 1405, 1193 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
530	330				
8	116				
1405	1249				
1193	1037				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1193 be amended as follows:

Delete page 3, line 19 to page 4, line 3 and insert

"Sec. 4. [EFFECTIVE DATE.] *Subdivision 1. This act shall become effective as to the city of Bloomington only after its approval by a majority of the governing body of the city of Bloomington and upon compliance with Minnesota Statutes, Section 645.021.*

Subd. 2. This act is effective as to the city of South St. Paul only after its approval by a majority of the governing body of the city of South St. Paul and upon compliance with Minnesota Statutes, Section 645.021."

Further amend the title in line 3, by deleting the comma and inserting "and"

Page 1, lines 4 and 5, delete "and the city of Mankato in Blue Earth county"

And when so amended, H. F. No. 1193 will be identical to S. F. No. 1037 and further recommends that H. F. No. 1193 be given its second reading and substituted for S. F. No. 1037 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1405 be amended as follows:

Page 1, line 21, after "shares" insert a new comma

Page 2, line 22, delete "*be presented in a manner so as to*"

Page 2, line 23, delete "*applicable*" and insert "*all*"

Page 2, line 24, delete "*be reported*" and insert "*report*" and delete "*periodic*" and insert "*period*"

Page 2, line 26, delete "*be the subject of unreasonable solicitation of*" and insert "*unreasonably solicit*"

Page 2, lines 30 and 31, delete "*in relation to the options provided under subdivision 2, clause (c),*" and insert "*paid*"

Page 3, lines 12 and 13 delete "*relating to the options provided under subdivision 2, clauses (b) and (c),*"

Further, amend the title in line 5, by inserting a comma after "3"

And when so amended, H. F. No. 1405 will be identical to S. F. No. 1249 and further recommends that H. F. No. 1405 be given its second reading and substituted for S. F. No. 1249 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 530 be amended as follows:

Page 1, line 25 to page 2, line 4, reinstate the stricken language and delete the new language

Page 2, lines 10 and 11, delete the new language and strike the period

Page 2, lines 18 to 27, delete all the new language and strike all the statutory language

Page 3, lines 16 to 27, restore the stricken language except the language in lines 17 and 18 which reads "~~but only upon one obligor on any one loan contract~~"

Page 3, line 28, restore the stricken language "and shall"

Page 3, lines 31 and 32, delete "*in a manner consistent with chapter 62B and rules promulgated thereunder. The licensee shall*"

Page 4, line 6, delete "no"

Page 4, delete the new language in lines 7 to 14 and insert "*credit life and accident and health insurance, or either type of coverage, may be written on each obligor who elects such coverage*"

Page 5, line 32 to page 6, line 3, reinstate the stricken language and delete the new language, except on page 6, line 2, strike "such" and insert "the"

Page 6, line 32, delete "indebtedness" and insert "obligation"

Page 7, line 2, delete "by the same creditor" and insert "through the same obligee"

Page 7, line 4, delete the first "credit" and after "life" insert "insurance" and after "or" delete "credit"

Page 7, line 5, delete "a" and insert "an"

Page 7, line 6, delete "creditor" and insert "obligee"

Page 7, line 7, delete "debtor or debtors" and insert "obligor or obligors" and delete "indebtedness" and insert "obligation"

Page 7, delete lines 9 to 14 and insert "or other evidence and the unearned premium refunded."

Page 7, delete lines 15 to 26 and insert

"If, on or after July 1, 1978, an obligation is prepaid in full by a new loan or by refinancing by the same obligee through which the obligor procured such insurance, such insurance shall be deemed cancelled if any new policy or certificate for the same type of insurance is issued in connection with the new loan or refinancing, and the unearned premium refunded.

If, after the effective date hereof but before July 1, 1978, an obligation is prepaid in full by a new loan or by refinancing by the same obligee through which the obligor procured such insurance, the policy or certificate may be continued in force.

Any refund made hereunder shall be paid or credited as provided in section 62B.08."

Page 8, line 4, delete "subsection" and insert "subdivision"

Further, amend the title in line 2, delete "commerce" and insert "insurance"

And when so amended, H. F. No. 530 will be identical to S. F. No. 330 and further recommends that H. F. No. 530 be given its second reading and substituted for S. F. No. 330 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 8 be amended as follows:

Page 2, line 11, delete "50" and insert "100"

Page 2, line 12, delete "50" and insert "100"

Page 2, line 14, delete "50" and insert "100"

Page 3, line 20, delete "50" and insert "100"

Page 3, line 22, delete "50" and insert "100"

Page 4, line 11, delete "When the price per unit"

Page 4, delete lines 12 and 13

Page 4, line 20, delete "may" and insert "shall"

Page 4, line 25, delete "consumer"

Page 4, line 28, delete "provided" and insert "placed"

Page 5, line 11, after "\$1,000,000" insert "or any owner operated single store"

Page 5, line 14, after "of" insert "more than" and after "\$1,000,000" delete the rest of the line and insert ". For the purposes of this subdivision, "chain store sales organization" shall mean two or more retail stores where a common name is used to designate or advertise the stores and where there is common ownership of the stores, in whole or in part."

Page 5, delete line 15

Page 6, line 1, delete "Consumer"

Page 6, delete lines 15 and 16 and insert

"Sec. 4. [REGULATION.] The consumer services section of the department of commerce may promulgate rules which:"

Page 6, line 18, delete "commissioner" and insert "director"

Page 6, line 23, delete "consumer"

Page 6, line 25, delete "disclosure for" and insert "disclosure of"

Page 6, delete lines 28 and 29 and insert

"(c) Delete items from the list in section 1;"

Delete page 6, line 32 to page 7, line 4

Page 7, line 5, delete "[PENALTY.] Violation" and insert "Violations"

Page 7, after line 6 insert

"Sec. 6. [APPROPRIATION.] The sum of \$5,000 is appropriated from the general fund to the director of consumer services for the promulgation of regulations pursuant to section 4 of this act, to be available until June 30, 1978."

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

Page 7, line 7, delete "All consumer" and insert "This act is effective July 1, 1977 except that"

Page 7, line 8, delete "shall" and insert "need not"

Page 7, line 9, delete "by" and insert "until"

Further, amend the title in line 4, after "penalty" insert "; appropriating money"

And when so amended, H. F. No. 8 will be identical to S. F. No. 116 and further recommends that H. F. No. 8 be given its second

reading and substituted for S. F. No. 116 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. 875, 914, 1498 and 1386 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
875	867				
914	1112				
1498	1465				
1386	1406				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 875 be amended as follows:

Strike everything after the enacting clause and insert

“Section 1. Minnesota Statutes 1976, Section 462.555, is amended to read:

462.555 [MANNER OF BOND ISSUANCE; SALE.] Bonds of an authority shall be authorized by its resolution and may be issued in one or more series and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, not exceeding seven percent per annum, be in such denomination or denominations, be in such form either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment at such place or places, and be subject to such terms of redemption (with or without premium) as ~~sueh~~ *the* resolution, its trust indenture or mortgage may provide. The bonds may be sold at public or private sale at not less than par. Any provision of any law to the contrary notwithstanding, any bonds issued pursuant to sections 462.415 to 462.711 shall be fully negotiable. In any suit, action, or proceedings involving the validity or enforceability of any bonds of an authority or the security therefor, any ~~sueh~~ bond reciting in substance that it has been issued by the authority to aid in financing a project, as herein defined, shall be conclusively deemed to have been issued for ~~sueh~~ *the* purpose, and ~~sueh~~ *the* project shall be conclusively deemed to have been planned, located, and carried out in accordance with the purposes and provisions of sections 462.415 to 462.711. *Notwithstanding any other provision of this section, an authority shall be authorized to execute a note secured by a mortgage at a rate of interest in excess of seven percent per annum with the Minnesota housing finance agency, pursuant to*

chapter 462A, to finance a housing project which is subsidized in whole or in part with funds provided by the federal government.

Sec. 2. Minnesota Statutes 1976, Section 462A.03, Subdivision 13, is amended to read:

Subd. 13. "Eligible mortgagor" means a nonprofit or cooperative housing corporation, limited profit entity or a builder as the same are defined by the agency in its rules, which sponsors or constructs residential housing as defined in subdivision 7, or a natural person of low or moderate income, except that the return to a limited dividend entity shall not exceed six percent of the capital contribution of the investors or such lesser percentage as the agency shall establish in its rules. Owners of existing residential housing occupied by renters shall be eligible for rehabilitation loans, only if, as a condition to the issuance of the loan, the owner agrees to conditions established by the agency in its rules relating to rental or other matters that will insure that the housing will be occupied by persons and families of low or moderate income. The agency shall require by rules that the owner give preference to those persons of low or moderate income who occupied the residential housing at the time of application for the loan.

Sec. 3. Minnesota Statutes 1976, Section 462A.05, Subdivision 3, is amended to read:

Subd. 3. It may agree to purchase, make, or otherwise participate in the making and enter into commitments for the purchase, making, or participation in the making of long term eligible mortgage loans to sponsors of residential housing for occupancy by persons and families of low and moderate income, or to persons and families of low and moderate income who may purchase such the residential housing. Such The loans shall be made only upon determination by the agency that long term mortgage loans are not otherwise available, wholly or in part, from private lenders upon equivalent terms and conditions. In establishing maximum mortgage amounts and maximum purchase prices for single family dwellings, the agency shall take into account housing cost differences in the regions of the state.

Sec. 4. Minnesota Statutes 1976, Section 462A.05, Subdivision 5, is amended to read:

Subd. 5. It may make temporary loans solely to "nonprofit" or "cooperative housing" sponsors as defined by the agency, with or without interest, and with such security for repayment, if any, as the agency determines reasonably necessary and practicable, solely from the housing development fund, in accordance with the provisions of section 462A.21, to defray development costs to sponsors of residential housing construction for occupancy by persons and families of low and moderate income which development costs are eligible or potentially eligible for construction loans or mortgages.

Sec. 5. Minnesota Statutes 1976, Section 462A.05, Subdivision 14, is amended to read:

Subd. 14. It may agree to purchase, make, or otherwise participate in the making, and may enter into commitments for the purchase, making, or participation in the making, of eligible loans for rehabilitation to persons and families of low and moderate income, and to owners of existing residential housing for occupancy by such persons and families, for the rehabilitation of existing residential housing owned by them. ~~Such~~ *The* loans may be insured or uninsured and may be made with such security, or may be unsecured, as the agency deems advisable. *The loans may be in addition to or in combination with long term eligible mortgage loans under subdivision 3 of this section.* They may be made in amounts sufficient to refinance existing indebtedness secured by the property, if ~~such~~ refinancing is determined by the agency to be necessary to permit the owner to meet his housing cost without expending an unreasonable portion of his income thereon. No loan for rehabilitation shall be made unless the agency determines that ~~each~~ *the* loan will be used primarily to make the housing more desirable to live in, to increase the market value of the housing, for compliance with state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing, or to accomplish energy conservation related improvements. In unincorporated areas and municipalities not having such codes and standards, the agency may, solely for the purpose of administering the provisions of this chapter, establish ~~such~~ codes and standards. No loan for rehabilitation of any property shall be made in an amount which, with all other existing indebtedness secured by the property, would exceed its market value, as determined by the agency. No loan for rehabilitation of owner occupied residential housing shall be denied solely because the loan will not be used for placing ~~such~~ *the* residential housing in full compliance with all state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing. Rehabilitation loans shall be made only when the agency determines that financing is not otherwise available, in whole or in part, from private lenders upon equivalent terms and conditions.

Sec. 6. Minnesota Statutes 1976, Section 462A.05, Subdivision 15, is amended to read:

Subd. 15. It may make grants to persons and families of low and moderate income to pay or to assist in paying a loan made pursuant to subdivision 14, or to rehabilitate or to assist in rehabilitating existing residential housing owned or occupied by such persons or families. For the purposes of this section, persons of low and moderate income include administrators appointed pursuant to section 566.25, clause (c). No ~~such~~ grant shall be made unless the agency determines that ~~such~~ *the* grant will be used primarily to make the housing more desirable to live in, to increase the market value of the housing or for compliance with state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing. In unincorporated areas and municipalities not having ~~such~~ codes and standards, the agency may, solely for the purpose of adminis-

tering this provision, establish ~~such~~ codes and standards. No grant for rehabilitation of owner occupied residential housing shall be denied solely because the grant will not be used for placing ~~such~~ *the* residential housing in full compliance with all state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing, or to accomplish energy conservation related improvements. The amount of any ~~such~~ grant shall not exceed the lesser of (a) \$5,000, or (b) the actual cost of the work performed, or (c) that portion of the cost of rehabilitation which the agency determines cannot otherwise be paid by ~~such~~ *the* person or family without spending an unreasonable portion of the income of ~~such~~ *the* person or family thereon ; *provided, however, that a grant may exceed \$5,000 by an amount, up to \$2,500, necessary to improve the accessibility of residential housing to a handicapped occupant* . In making ~~such~~ grants, the agency shall determine the circumstances under which and the terms and conditions under which all or any portion thereof will be repaid and shall determine the appropriate security should ~~such~~ repayment be required.

The agency may also make grants to rehabilitate or to assist in rehabilitating housing under this subdivision to persons of low and moderate income for the purpose of qualifying as foster parents.

Sec. 7. Minnesota Statutes 1976, Section 462A.05, is amended by adding a subdivision to read:

Subd. 15a. The agency shall allocate ten percent of any funds available for the purposes of subdivisions 14 and 15 of this section for making loans and grants to persons and families of low and moderate income within areas in which concentrated rehabilitation programs are being carried out.

Sec. 8. Minnesota Statutes 1976, Section 462A.05, is amended by adding a subdivision to read:

Subd. 18. It may make loans solely to "non-profit" sponsors as defined by the agency, with or without interest, and with such security for repayment, if any, as the agency determines reasonably necessary and practicable, solely from the housing development fund in accordance with the provisions of section 16, to encourage innovations in the development or rehabilitation of single and multifamily residential housing including the demonstration of new techniques for energy efficient construction.

Sec. 9. Minnesota Statutes 1976, Section 462A.07, is amended by adding a subdivision to read:

Subd. 3a. It shall make available technical assistance to potential applicants to encourage applications for multifamily housing projects which afford residents participation in the ownership or management of the project.

Sec. 10. Minnesota Statutes 1976, Section 462A.07, is amended by adding a subdivision to read:

Subd. 5a. It may enter into agreements with housing and

redevelopment authorities or other appropriate local governmental units to foster multifamily housing rehabilitation and shall act to develop the agreements. It may give advance reservations of mortgage financing and federal rent subsidies as part of the agreements, with the understanding that the agency will only approve the mortgage loans pursuant to normal procedures, and may adopt special procedures designed to meet problems inherent in a program of multifamily housing rehabilitation. The agreements may include the United States department of housing and urban development when desirable and appropriate.

Sec. 11. Minnesota Statutes 1976, Section 462A.07, Subdivision 12, is amended to read:

Subd. 12. It may delegate, use or employ any federal, state, regional or local public or private agency or organization, *including organizations of physically handicapped persons*, upon such terms as it deems necessary or desirable, to assist in the exercise of any of the powers granted in ~~Laws 1974, Chapter 441 sections 462A.01 to 462A.24~~ and to carry out the objectives of ~~Laws 1974, Chapter 441, sections 462A.01 to 462A.24~~ and may pay for such the services from the housing development fund.

Sec. 12. Minnesota Statutes 1976, Section 462A.09, is amended to read:

462A.09 [BONDS AND NOTES; RESOLUTIONS AUTHORIZING, ADDITIONAL TERMS, SALE.] The notes and bonds of the agency shall be authorized by a resolution or resolutions adopted by the agency, shall bear such date or dates, shall mature at such time or times, shall bear interest at such rate or rates, be in such denominations, be in such form, carry such registration privileges, be executed in such manner, be payable in lawful money of the United States of America, at such place or places within or without the state, and be subject to such terms of redemption prior to maturity as such 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 agency may be sold at public or private sale, at such price or prices as the agency shall determine ; *provided that in no event shall the net proceeds to the agency of any issuance of bonds be less than 98 percent of the face amount of the bonds. Prior to the sale of notes and bonds, the agency shall consult with the executive secretary of the state board of investment on the terms and conditions of the bonds and appropriate underwriting fees. The executive secretary of the state board of investment shall participate in the negotiations for the sale of bonds of the agency .*

Sec. 13. Minnesota Statutes 1976, Section 462A.21, Subdivision 4a, is amended to read:

Subd. 4a. It may make rehabilitation grants and expenditures for correction of residential housing defects as provided in section 462A.05, subdivisions 15 and 16. *In order to insure the pre-*

servation of the maximum number of housing units with the funds appropriated by the legislature, grants shall be recovered by the agency to be used for future grants to the extent provided in this section. Grants made under the terms of this subdivision shall contain a requirement that the grant be recovered by the agency in accordance with the following schedule:

(1) If the property is sold, transferred, or otherwise conveyed within the first five years after the date of a grant, the recipient shall repay the full amount of the grant;

(2) If the property is sold, transferred, or otherwise conveyed within the sixth year after the date of a grant, the recipient shall repay 80 percent of the amount of the grant;

(3) If the property is sold, transferred, or otherwise conveyed within the seventh year after the date of a grant, the recipient shall repay 60 percent of the amount of the grant;

(4) If the property is sold, transferred, or otherwise conveyed within the eighth year after the date of a grant, the recipient shall repay 40 percent of the amount of the grant;

(5) If the property is sold, transferred, or otherwise conveyed within the ninth year after the date of a grant, the recipient shall repay 20 percent of the amount of the grant; or

(6) If the property is sold, transferred, or otherwise conveyed within the tenth year after the date of the grant, or thereafter, there shall be no repayment requirement; provided that no repayment shall be required to the extent that the grants are made to improve the accessibility of residential housing to a handicapped occupant.

Sec. 14. Minnesota Statutes 1976, Section 462A.21, Subdivision 4b, is amended to read:

Subd. 4b. It may establish loan funds and may make eligible loans from them, at rates of interest and with security as the agency deems advisable, if each loan is determined by the agency to be necessary to permit the occupant of residential housing financed wholly or in part by ~~any such~~ the loan to meet his housing costs without expending an unreasonable portion of his income on them. *It may combine loan funds established pursuant to legislative appropriations with loan funds established for the same or similar purposes pursuant to the sale of its notes or bonds, and such combined funds may be deposited with a trustee. Each combined fund, including loan and investment principal and income received therefrom, shall be administered, disbursed, and collected as provided in the appropriation act and the resolution or indenture securing the bonds or notes.*

Sec. 15. Minnesota Statutes 1976, Section 462A.21, is amended by adding a subdivision to read:

Subd. 8. It may establish a home ownership assistance fund, on terms and conditions as it deems advisable, to assist persons and families of low and moderate income in making down payments

and paying installments of eligible loans for affordable residential housing and may use the subsidies to provide additional security for eligible loans. Any assistance in making down payments shall not exceed \$1,000 and shall be repaid in full without interest. Any subsidy for payments of installments of an eligible loan shall not exceed \$85 per month; shall be applied against the monthly installments of the eligible loan; shall decrease ratably over the term of the subsidy, which shall not exceed 17 years; and shall be repaid in full without interest.

Sec. 16. Minnesota Statutes 1976, Section 462A.21, is amended by adding a subdivision to read:

Subd. 9. It may make loans to encourage innovations in the development or rehabilitation of single or multifamily residential housing pursuant to section 7, with the approval of the legislative advisory committee. Loans pursuant to this subdivision may only be made with specific appropriations from the legislature.

Sec. 17. Minnesota Statutes 1976, Section 462A.21, is amended by adding a subdivision to read:

Subd. 10. Notwithstanding the provisions of section 23 or Minnesota Statutes, Section 16A.28 or any other laws relating to lapse of an appropriation, the appropriations made to the agency by the legislature in 1976 and subsequent years shall be available until fully expended, and the allocations provided in the appropriations shall remain in effect; provided that earnings from investments of any of the amounts appropriated to the agency shall be appropriated to the agency to be used for the same purposes as the respective original appropriations.

Sec. 18. Minnesota Statutes 1976, Section 462A.22, Subdivision 1, is amended to read:

462A.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) ~~\$100,000,000~~ \$200,000,000 issued for the purpose of providing funds for rehabilitation loans, or refunding bonds or notes issued for this purpose, plus

(b) ~~\$500,000,000~~ \$700,000,000 issued for other purposes specified in section 462A.08.

Sec. 19. Minnesota Statutes 1976, Section 462A.22, is amended by adding a subdivision to read:

Subd. 1a. Not less than 20 percent of the proceeds of the additional bonds authorized in subdivision 1, paragraph (b), which are used for the purpose of providing for multifamily residential housing shall be allocated by the agency for eligible loans involving the rehabilitation of existing buildings.

Sec. 20. Minnesota Statutes 1976, Section 462A.22, Subdivision 9, is amended to read:

Subd. 9. The agency shall also submit a biennial report of its activities, projected activities, receipts, and expenditures for the next biennium, to the governor and the legislature on or before January 15 in each odd-numbered year. *The report shall include the distribution of funds for each agency program by county, except for counties containing a city of the first class, where the distribution shall be reported by municipality. Within cities of the first class, the distribution of agency funds shall be reported by census tract.*

Sec. 21. [APPROPRIATION.] *Subdivision 1. The sums set forth in this section are appropriated from the general fund to the housing development fund created in Minnesota Statutes, Section 462A.20, for the purposes specified in this section.*

Subd. 2. *For making rehabilitation grants to persons and families of low income, as provided in Minnesota Statutes, Section 462A.21, Subdivision 4b, of which not less than \$500,000 shall be used for improving accessibility of housing occupied by persons who are physically handicapped. \$25,000,000.*

Subd. 3. *For making low interest rate rehabilitation loans to persons and families of low and moderate income, as provided in Minnesota Statutes, Section 462A.21, Subdivisions 4b and 7. \$10,000,000.*

Subd. 4. *For the home ownership assistance fund provided in section 15. \$5,000,000.*

Subd. 5. *For the innovative development and rehabilitation loans provided in section 16. \$1,000,000.*

Sec. 22. [APPROPRIATION.] *The sum of \$500,000 is appropriated from the general fund to the commissioner of administration for the purpose of constructing at least six demonstration homes and related buildings to be occupied by department of natural resources personnel and their families on state owned lands, or by personnel of the university of Minnesota assigned to the lake Itasca forestry and biological station and their families, as determined by the commissioner of natural resources. These dwellings shall demonstrate new and useful technologies for conserving energy. All of the homes shall demonstrate the use of solar energy technology. At least three of the homes shall demonstrate the use of underground construction. Related buildings may include other structures associated with the public use of state lands such as public shower facilities and nature centers may be constructed and operated to demonstrate techniques of conserving energy. Construction plans for the buildings shall be reviewed and approved by the Minnesota energy agency. Sections 16.821 to 16.867 shall not apply to the construction of homes pursuant to this section. Notwithstanding Minnesota Statutes, Section 16.07 or any provision of law to the contrary, the commissioner of administration may negotiate contracts for the design and construction of the demonstration homes.*

Sec. 23. [REPEALER.] *Minnesota Statutes 1976, Section 462A.26, is repealed.*

Sec. 24. *Section 1 of this act shall be effective on the day following final enactment.*”

Further, strike the title and insert

“A bill for an act relating to housing; providing an exception to the interest limitation for borrowing by housing and redevelopment authorities; making certain changes in the laws relating to the operation of the housing finance agency; making cooperatives eligible for housing finance agency programs; establishing certain loan and assistance programs; increasing the bonding limitations of the agency; providing for a demonstration project for energy conserving construction; appropriating money; amending Minnesota Statutes 1976, Sections 462.555; 462A.03, Subdivision 13; 462A.05, Subdivisions 3, 5, 14, 15, and by adding subdivisions; 462A.07, Subdivision 12, and by adding subdivisions; 462A.09; 462A.21, Subdivisions 4a, 4b, and by adding subdivisions; and 462A.22, Subdivisions 1 and 9, and by adding a subdivision; repealing Minnesota Statutes 1976, Section 462A.26.”

And when so amended, H. F. No. 875 will be identical to S. F. No. 867 and further recommends that H. F. No. 875 be given its second reading and substituted for S. F. No. 867 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 914 be amended as follows:

Page 1, line 13, delete “board” and insert “regional commission”

Page 1, line 16, delete “board” and insert “regional commission”

Page 1, line 18, after the period insert “If a county has organized pursuant to chapter 401, the juvenile court may appoint probation officers as necessary to perform court services, and the county board shall appoint persons as necessary to provide correctional services within the authority granted in chapter 401.”

Page 1, line 20, delete “chapter” and insert “chapters 401 and”

Page 5, line 7, delete “corrections” and insert “adult and juvenile correctional”

And when so amended, H. F. No. 914 will be identical to S. F. No. 1112 and further recommends that H. F. No. 914 be given its second reading and substituted for S. F. No. 1112 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1498 be amended as follows:

Page 4, line 21, delete “county” and insert “country”

Page 4, lines 26 and 27, delete “or at the prevailing minimum wage, whichever is greater”

Page 5, line 17, delete “may” and insert “shall”

And when so amended, H. F. No. 1498 will be identical to S. F. No. 1465 and further recommends that H. F. No. 1498 be given

its second reading and substituted for S. F. No. 1465 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1386 be amended as follows:

Page 4, line 27, reinstate "by certified mail"

Page 6, line 27, after "*facilities*," insert "*and*"

And when so amended, H. F. No. 1386 will be identical to S. F. No. 1406 and further recommends that H. F. No. 1386 be given its second reading and substituted for S. F. No. 1406 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. 1474, 1215, 544 and 756 for comparison to companion Senate Files, reports the following House Files were found identical and recommends the House Files be given their Second Readings and substituted for their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1215	1133	1474	1460		
544	543				
756	681				

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.

SECOND READING OF SENATE BILLS

S. F. Nos. 1238, 979, 1134, 811 and 1394 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1474, 1215, 544, 756, 530, 8, 1405, 1193, 875, 914, 1498 and 1386 were read the second time.

H. F. Nos. 157, 451, 1180, 611, 1259, 1155, 460, 456 and 993 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Laufenburger moved that H. F. No. 1310 be withdrawn from the Committee on Employment and re-referred to the Com-

mittee on Rules and Administration for comparison with S. F. No. 1422 now on General Orders. The motion prevailed.

Mr. Milton moved that H. F. No. 1283 be withdrawn from the Committee on Employment and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1426 now on General Orders. The motion prevailed.

Mr. Keefe, S. moved that S. F. No. 895 be taken from the table. The motion prevailed.

CALL OF THE SENATE

Mr. Keefe, S. imposed a call of the Senate for the proceedings on S. F. No. 895. The following Senators answered to their names:

Anderson	Frederick	Lessard	Penny	Spear
Ashbach	Gunderson	Lewis	Perpich	Staples
Bang	Hanson	Luther	Peterson	Stokowski
Benedict	Hughes	McCutcheon	Pillsbury	Strand
Bernhagen	Humphrey	Menning	Purfeerst	Stumpf
Borden	Jensen	Merriam	Renneke	Tennessen
Brataas	Johnson	Milton	Schmitz	Ueland, A.
Chmielewski	Keefe, S.	Moe	Schrom	Ulland, J.
Davies	Kirchner	Nelson	Setzepfandt	Vega
Dieterich	Kleinbaum	Nichols	Sieloff	Wegener
Dunn	Knoll	Ogdahl	Sikorski	Willet
Engler	Laufenburger	Olhoft	Sillers	

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

CONCURRENCE AND REPASSAGE

Mr. Keefe, S. moved that the Senate concur in the amendments by the House to S. F. No. 895 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 895: A bill for an act relating to metropolitan government; providing for sports facilities; establishing a sports commission and prescribing its power and duties; authorizing the issuance of bonds by the metropolitan council; providing financing; providing a tax on the sales of certain intoxicating and fermented malt beverages in the metropolitan area; prohibiting certain restrictive agreements relating to the telecasting of games; increasing the levy limitation base for the city of Bloomington; regulating facilities location; amending Minnesota Statutes 1976, Section 340.11, Subdivision 11a.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 39 and nays 27, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Lessard	Olson	Solon
Bernhagen	Humphrey	Lewis	Perpich	Staples
Brataas	Johnson	Menning	Peterson	Stokowski
Chmielewski	Keefe, S.	Merriam	Pillsbury	Strand
Coleman	Kirchner	Moe	Purfeerst	Ueland, A.
Dunn	Kleinbaum	Nelson	Schaaf	Ulland, J.
Frederick	Knoll	Nichols	Setzepfandt	Wegener
Gearty	Laufenburger	Ogdahl	Sillers	

Those who voted in the negative were:

Ashbach	Engler	Luther	Schmitz	Tennessee
Bang	Gunderson	McCutcheon	Schrom	Vega
Benedict	Hughes	Milton	Sieloff	Willet
Borden	Jensen	Olhoff	Sikorski	
Davies	Keefe, J.	Penny	Spear	
Dieterich	Knutson	Renneke	Stumpf	

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

RECONSIDERATION

Mr. McCutcheon moved that the vote whereby H. F. No. 800 failed to pass the Senate on May 10, 1977, be now reconsidered. The motion prevailed.

Mr. McCutcheon moved that H. F. No. 800 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 226 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 226

A bill for an act relating to minimum wage; providing a higher minimum wage; amending Minnesota Statutes 1976, Section 177.24.

May 6, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 226, report that we have agreed upon the items in dispute and recommend as follows:

The House recede from its amendment and that S. F. No. 226 be amended as follows:

Page 1, line 17, delete "January 1, 1978" and insert "September 15, 1977"

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

Senate Conferees: (Signed) John Milton, Steve Keefe, Harmon T. Ogdahl

House Conferees: (Signed) Ray W. Faricy, Stanley A. Enebo, Kenneth P. Zubay

Mr. Milton moved that the foregoing recommendations and Conference Committee Report on S. F. No. 226 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. 226: A bill for an act relating to minimum wage; providing a higher minimum wage; amending Minnesota Statutes 1976, Section 177.24.

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

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

The roll was called, and there were yeas 56 and nays 7, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Luther	Perpich	Stokowski
Benedict	Hanson	McCutcheon	Peterson	Strand
Borden	Hughes	Menning	Purfeerst	Stumpf
Brataas	Humphrey	Merriam	Schaaf	Tennessee
Chmielewski	Johnson	Milton	Schmitz	Ueland, A.
Coleman	Keefe, J.	Moe	Setzepfandt	Ulland, J.
Davies	Kirchner	Nelson	Sieloff	Vega
Dieterich	Kleinbaum	Nichols	Sikorski	Willet
Dunn	Knoll	Ogdahl	Sillers	
Engler	Laufenburger	Olhoff	Solon	
Frederick	Lessard	Olson	Spear	
Gearty	Lewis	Penny	Staples	

Those who voted in the negative were:

Bang	Jensen	Pillsbury	Renneke	Schrom
Bernhagen	Knutson			

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 347 a Special Order to be heard immediately.

S. F. No. 347: A bill for an act relating to interest; increasing permissible finance charges for open end credit sales; providing for maximum finance charges for closed end credit; providing a penalty; amending Minnesota Statutes 1976, Section 334.16, and Chapter 334, by adding sections.

CALL OF THE SENATE

Mr. Laufenburger imposed a call of the Senate for the proceedings on S. F. No. 347. The following Senators answered to their names:

Anderson	Gearty	Luther	Pillsbury	Strand
Bang	Hanson	McCutcheon	Renneke	Stumpf
Benedict	Hughes	Menning	Schaaf	Tennessee
Bernhagen	Humphrey	Merriam	Schmitz	Ueland, A.
Borden	Jensen	Milton	Schrom	Ulland, J.
Brataas	Johnson	Nelson	Setzepfandt	Vega
Chmielewski	Keefe, J.	Nichols	Sieloff	Wegener
Davies	Kleinbaum	Ogdahl	Sikorski	Willet
Dieterich	Knutson	Olson	Sillers	
Dunn	Laufenburger	Penny	Spear	
Engler	Lessard	Perpich	Staples	
Frederick	Lewis	Peterson	Stokowski	

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

Mr. Laufenburger moved to amend S. F. No. 347 as follows:

Page 3, line 11, strike "*of this act*"

Page 3, line 28, strike "*commenced*" and insert "*commences*"

Page 3, line 32, strike the comma and insert a period

Page 4, line 10, strike "*of this act*"

Page 4, line 22, strike "*of*" and insert "*not to exceed*"

Page 5, line 4, strike "*of this act*"

Page 6, line 29, strike "*of this act*"

Page 7, lines 1, 13 and 22, strike "*of this act*"

Page 7, strike lines 2 to 9

Page 7, line 12, strike "334.26" and insert "334.25"

Page 7, line 13, strike "7" and insert "9"

Page 7, line 21, strike "334.27" and insert "334.26"

Page 7, line 22, strike "8" and insert "9"

Page 7, after line 24, insert:

"Sec. 9. Minnesota Statutes 1976, Chapter 334, is amended by adding a section to read:

[334.27] [EFFECTIVE DATE AND PRIOR AGREEMENT.]
Sections 2 to 9 are effective January 1, 1978, and anything herein contained shall not affect, invalidate or make unlawful consumer credit sales, transactions and contracts contracted for and entered into prior to January 1, 1978."

Renumber the sections

The motion prevailed. So the amendment was adopted.

Mr. Dieterich moved to amend S. F. No. 347 as follows:

Page 2, line 8, strike everything after the period

Page 2, strike lines 9 to 14

Page 3, line 18, strike "*one-half*"

Amend the title as follows:

Page 1, line 2, strike "increasing permissible"

Page 1, line 3, strike "finance charges" and insert "providing a method for computing average daily balance"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 13 and nays 46, as follows:

Those who voted in the affirmative were:

Benedict	Johnson	Menning	Sikorski	Stumpf
Dieterich	Keefe, S.	Merriam	Spear	Ulland, J.
Hughes	Luther	Perpich		

Those who voted in the negative were:

Ashbach	Gearty	Lessard	Pillsbury	Strand
Bang	Gunderson	Milton	Purfeerst	Tennessen
Bernhagen	Hanson	Moe	Renneke	Ueland, A.
Borden	Humphrey	Nelson	Schmitz	Vega
Brataas	Jensen	Nichols	Setzepfandt	Wegener
Coleman	Keefe, J.	Ogdahl	Sieloff	Willet
Davies	Kirchner	Olhoft	Sillors	
Dunn	Kleinbaum	Olson	Solon	
Engler	Knutson	Penny	Staples	
Frederick	Laufenburger	Peterson	Stokowski	

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

Mr. Sieloff moved to amend S. F. No. 347 as follows:

Page 7, at the end of the Laufenburger amendment, after "1978." insert "*Section 1 shall not apply to account balances outstanding on the effective date of section 1, and the finance charge on such outstanding balances shall not exceed the amounts permitted under laws existing immediately preceding the effective date of section 1.*"

The motion prevailed. So the amendment was adopted.

Mr. Dieterich moved to amend S. F. No. 347 as follows:

Page 2, line 8, strike everything after the period

Page 2, strike lines 9 to 14

Page 3, line 18, strike "*one-half*" and insert "*one-fourth*"

Amend the title as follows:

Page 1, line 2, strike "increasing permissible"

Page 1, line 3, strike "finance charges" and insert "providing a method for computing average daily balance"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 15 and nays 41, as follows:

Those who voted in the affirmative were:

Benedict	Keefe, S.	Merriam	Sikorski	Stumpf
Dieterich	Luther	Nelson	Spear	Ulland, J.
Johnson	Menning	Perpich	Strand	Vega

Those who voted in the negative were:

Anderson	Frederick	Lessard	Pillsbury	Staples
Ashbach	Gearty	Lewis	Purfeerst	Tennessee
Bang	Gunderson	McCutcheon	Renneke	Ueland, A.
Bernhagen	Hanson	Milton	Schmitz	Wegener
Brataas	Humphrey	Moe	Schrom	Willet
Coleman	Keefe, J.	Nichols	Setzpfandt	
Davies	Kirchner	Olson	Sieloff	
Dunn	Kleinbaum	Penny	Sillers	
Engler	Laufenburger	Peterson	Solon	

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

S. F. No. 347 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 47 and nays 17, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lessard	Pillsbury	Staples
Ashbach	Gunderson	McCutcheon	Purfeerst	Stokowski
Bang	Hanson	Milton	Renneke	Strand
Bernhagen	Jensen	Moe	Schaaf	Tennessee
Brataas	Keefe, J.	Nelson	Schmitz	Ueland, A.
Coleman	Kirchner	Nichols	Schrom	Vega
Davies	Kleinbaum	Ogdahl	Setzpfandt	Wegener
Dunn	Knoll	Olson	Sieloff	
Engler	Knutson	Penny	Sillers	
Frederick	Laufenburger	Peterson	Solon	

Those who voted in the negative were:

Benedict	Johnson	Menning	Sikorski	Willet
Dieterich	Keefe, S.	Merriam	Spear	
Hughes	Lewis	Olhoff	Stumpf	
Humphrey	Luther	Perpich	Ulland, J.	

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

Without objection, the Senate reverted to the Order of Business of Messages From the House.

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. 1034 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 1034: A bill for an act relating to transportation;

appropriating money for the operation of Amtrak rail service between the Twin Cities and Duluth.

Senate File No. 1034 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1977

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.

CALL OF THE SENATE

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

Anderson	Humphrey	Moe	Schaaf	Strand
Ashbach	Keefe, S.	Nelson	Schmitz	Stumpf
Benedict	Kirchner	Ogdahl	Schrom	Tennessen
Borden	Kleinbaum	Olhoff	Setzepfandt	Ulland, J.
Chmielewski	Knoll	Olson	Sieloff	Vega
Coleman	Luther	Penny	Spear	Wegener
Dunn	Menning	Pillsbury	Staples	Willet
Gearty	Merriam	Purfeerst	Stokowski	

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to 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 that the House has adopted the recommendation and report of the Conference Committee on House File No. 339 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 339: A bill for an act relating to transportation construction contracts; providing for small business contracts; amending Minnesota Statutes 1976, Chapter 161, by adding a section.

H. F. No. 339 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 11, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 339

A bill for an act relating to transportation construction con-

tracts; providing for small business contracts; amending Minnesota Statutes 1976, Chapter 161, by adding a section.

May 5, 1977

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

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 339, 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. 339 be amended as follows:

Page 2, after line 9, insert:

(c) *“Physically handicapped person” means a person who has suffered a substantial physical disability or dysfunction.*”

Reletter the remaining clauses accordingly

Page 2, line 20, delete *“(d)”* and insert *“(e)”*

Page 2, line 24, delete the first *“and”* and insert a comma

Page 2, line 25, after *“persons”* insert *“and small businesses owned and operated by physically handicapped persons”*

Page 3, line 3, strike *“deprived”* and insert *“disadvantaged”*

Page 3, line 6, before *“(a)”* insert *“, clause”*

Page 3, line 6, after *“(a)”* insert *“and small businesses owned and operated by physically handicapped persons”*

Page 3, line 12, after the period insert *“Contracts awarded pursuant to this section shall be subject to all applicable limitations contained in section 16.083, subdivisions 2, 3, and 6.”*

Page 3, line 21, strike the first *“and”* and insert *“, small businesses owned and operated by physically handicapped persons and”*

Page 3, after line 26, insert:

“Sec. 2. Minnesota Statutes 1976, Chapter 161, is amended by adding a section to read:

[161.3211] [REPORT BY THE COMMISSIONER OF TRANSPORTATION.] *The commissioner of transportation shall submit an annual report pursuant to section 3.195, to the governor and the legislature indicating the progress being made toward the objectives and goals of section 1 during the preceding fiscal year. This report shall include the following information:*

(a) *The total dollar value and number of potential set-aside awards identified during this period and the percentage of total construction work this figure reflects;*

(b) The number of small businesses identified and responding to the set-aside program, the total dollar value and number of set-aside contracts actually awarded to small businesses with an approximate designation as to the total number and value of set-aside contracts awarded to each small business, and the total number of small businesses that were awarded set-aside contracts;

(c) The total dollar value and number of set-aside contracts awarded to small businesses owned and operated by economically or socially disadvantaged persons with an approximate designation as to the total number and value of set-aside contracts awarded to each small business, and the percentages of the total construction work the figures of the total dollar value and the number of set-asides reflect;

(d) The number of contracts which were designated and set aside pursuant to section 1, but which were not awarded to a small business, the estimated total dollar value of these awards, the lowest bids on each of these awards made by a small business and the price at which these contracts were awarded pursuant to the normal procedures."

Amend the title as follows:

Page 1, line 3, after the semicolon insert "requiring a report;"

Page 1, line 4, strike "a"

Page 1, line 5, strike "section" and insert "sections"

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

House Conferees: (Signed) James Casserly, Walter Hanson and Douglas Ewald.

Senate Conferees: (Signed) Franklin J. Knoll, B. Robert Lewis and William G. Kirchner.

Mr. Knoll moved that the foregoing recommendations and Conference Committee Report on H. F. No. 339 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. 339: A bill for an act relating to transportation construction contracts; requiring a report; providing for small business contracts; amending Minnesota Statutes 1976, Chapter 161, by adding sections.

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

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

The roll was called, and there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Lessard	Penny	Stokowski
Ashbach	Gearty	Luther	Pillsbury	Strand
Bang	Gunderson	McCutcheon	Schaaf	Stumpf
Benedict	Hanson	Menning	Schmitz	Tennessee
Brataas	Humphrey	Merriam	Schrom	Ulland, J.
Chmielewski	Jensen	Nelson	Setzepfandt	Vega
Coleman	Johnson	Nichols	Sieloff	Wegener
Davies	Kirchner	Ogdahl	Sillers	Willet
Dieterich	Kleinbaum	Olhoff	Spear	
Dunn	Knoll	Olson	Staples	

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 File, herewith transmitted:

H. F. No. 206

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 11, 1977

FIRST READING OF HOUSE BILLS

The following bill was read the first time and referred to the committee indicated.

H. F. No. 206: A bill for an act relating to welfare; increasing the personal allowance for persons in care facilities; amending Minnesota Statutes 1976, Section 256B.35, Subdivision 1, and by adding subdivisions.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 458, now on General Orders.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 733 a Special Order to be heard immediately.

H. F. No. 733: A bill for an act relating to the state transportation system; authorizing the issuance and sale of Minnesota trunk highway bonds under the provisions of Minnesota Constitution, Article XI, Sections 4 to 7, and Article XIV, Section 11, and authorizing the expenditure of the proceeds thereof for trunk highway bridges and approaches; authorizing the issuance and sale of Minnesota state transportation bonds under the provisions of Minnesota Constitution, Article XI, and authorizing the expenditure thereof for grants to political subdivisions for construction and reconstruction of certain bridges; appropriating money.

Mr. Tennessee moved to amend H. F. No. 733 as follows:

Page 3, line 5, strike "\$27,000,000" and insert "\$30,000,000"

Page 3, line 6, strike "8,000,000" and insert "10,000,000"

Page 3, line 7, strike "15,000,000" and insert "10,000,000"

CALL OF THE SENATE

Mr. Laufenburger imposed a call of the Senate for the proceedings on H. F. No. 733. The following Senators answered to their names:

Anderson	Engler	Knoll	Penny	Stokowski
Ashbach	Frederick	Laufenburger	Peterson	Strand
Bang	Gearty	Lessard	Pillsbury	Stumpf
Benedict	Gunderson	Luther	Purfeerst	Tennessee
Bernhagen	Hanson	McCutcheon	Renneke	Ueland, A.
Borden	Humphrey	Menning	Schmitz	Ulland, J.
Brataas	Johnson	Merriam	Setzepfandt	Vega
Chmielewski	Keefe, J.	Nelson	Sieloff	Wegener
Davies	Keefe, S.	Nichols	Sillers	Willet
Dieterich	Kirchner	Olhoff	Spear	
Dunn	Kleinbaum	Olson	Staples	

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

The question recurred on the Tennessee amendment.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 9 and nays 48, as follows:

Those who voted in the affirmative were:

Davies	Keefe, J.	Knoll	Merriam	Tennessee
Humphrey	Keefe, S.	McCutcheon	Stumpf	

Those who voted in the negative were:

Anderson	Dunn	Lessard	Pillsbury	Staples
Ashbach	Engler	Luther	Purfeerst	Stokowski
Bang	Frederick	Menning	Renneke	Strand
Benedict	Gearty	Moe	Schmitz	Ueland, A.
Bernhagen	Gunderson	Nelson	Schrom	Ulland, J.
Borden	Hanson	Nichols	Setzepfandt	Vega
Brataas	Johnson	Olhoff	Sieloff	Wegener
Chmielewski	Kirchner	Olson	Sikorski	Willet
Coleman	Kleinbaum	Penny	Sillers	
Dieterich	Laufenburger	Peterson	Spear	

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

H. F. No. 733 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knoll	Olson	Sillers
Ashbach	Frederick	Laufenburger	Penny	Spear
Bang	Gearty	Lessard	Peterson	Staples
Benedict	Gunderson	Luther	Purfeerst	Stokowski
Bernhagen	Hanson	McCutcheon	Renneke	Strand
Borden	Humphrey	Menning	Schaaf	Stumpf
Brataas	Johnson	Merriam	Schmitz	Ueland, A.
Chmielewski	Keefe, J.	Moe	Schrom	Ulland, J.
Coleman	Keefe, S.	Nelson	Setzepfandt	Vega
Dieterich	Kirchner	Nichols	Sieloff	Wegener
Dunn	Kleinbaum	Olhoff	Sikorski	Willet

Messrs. Davies, Pillsbury and Tennessen voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1610 a Special Order to be heard immediately.

H. F. No. 1610: A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and for other purposes; amending Minnesota Statutes 1976, Sections 219.40; and 299D.03, Subdivision 5; repealing Minnesota Statutes 1976, Sections 161.50; and 219.401.

Mr. Schaaf moved to amend H. F. No. 1610, as amended pursuant to Rule 49, adopted by the Senate May 10, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1490.)

Page 6, delete line 13 and insert:

"Grants and Expenses 35,500,000 — 0—"

Page 6, delete lines 16 to 42 and insert:

"Any unencumbered balance remaining in the first year shall not cancel but is available for the second year of the biennium.

Of this appropriation, \$7,000,000 is for supplemental transit aid program grants pursuant to Laws 1974, Chapter 534, Section 4, Subdivision 4, as amended, of which \$3,000,000 shall be paid pursuant to contracts with the Twin Cities area metropolitan transit commission for the period from July 1, 1977 to December 31, 1977, and \$4,000,000 shall be paid pursuant to contracts with other eligible recipients.

\$13,700,000 is for performance funding payments pursuant to Laws 1974, Chapter 534, Section 4, Subdivision 4, as amended,

and section 23. This amount is not available until January 1, 1978.

\$8,300,000 is for social fare reimbursement pursuant to section 22.

\$2,350,000 is for paratransit and public transit demonstration grant programs, of which \$1,500,000 is for paratransit projects pursuant to section 12 in the metropolitan area as defined by section 473.121, subdivision 2, and \$850,000 is for paratransit projects pursuant to section 12 and public transit demonstration programs pursuant to Laws 1974, Chapter 534, Section 5, in other areas of the state. The information required on any application pursuant to this subdivision for grants to recipients outside the metropolitan area shall be limited to the minimum amount required for the commissioner of transportation to determine that the project is a proper expenditure of money appropriated by this subdivision.

\$400,000 is for new route reimbursement pursuant to section 24, subdivision 6.

\$1,200,000 shall be paid to the Twin Cities metropolitan transit commission for general administrative and planning expenses of the commission.

\$1,200,000 shall be paid to the commission for expenses of operating special services for handicapped persons.

\$1,200,000 is for payments by the commissioner under contracts with private operators of regular route bus service in the metropolitan area as defined by section 473.121, subdivision 2. These contracts shall be in accordance with the provisions of Laws 1974, Chapter 534, Section 4, as amended, as far as practicable except that the commissioner may provide up to 100 percent of the total operating deficit of any such operator. Every contract proposed to be entered into by the commissioner shall first be submitted for simultaneous review by the metropolitan council for consistency with its transportation policy plan and development guide and by the Twin Cities area metropolitan transit commission for consistency with its transportation development program. Comments on any contract shall be filed with the commissioner by the council

or commission within 30 days of submission for review.

\$150,000 is for costs of administration of the supplemental transit aid program, including the performance funding provisions of this act, the paratransit demonstration grant program and other provisions of this act that impose duties on the commissioner.

(c) Evaluation of People Mover Engineering study

75,000 — 0 —

This appropriation is from the general fund to the state planning agency to carry out the evaluation required by section 25, subdivision 2.

Any unexpended balance remaining in the first year shall not cancel but is available for the second year of the biennium."

Page 9, after line 20, insert

"Sec. 11. Minnesota Statutes 1976, Section 169.81, is amended by adding a subdivision to read:

Subd. 10. [ARTICULATED BUSES.] Articulated buses operated by the Twin Cities area metropolitan transit commission may exceed the length limitations of this section, subject only to an annual permit from the commissioner for such operation. This permit shall be granted upon application by the metropolitan transit commission. The application shall contain such information as may be required by the commissioner. Operation by the metropolitan transit commission of articulated buses exceeding the length limitations of this section shall not be subject to any city ordinance or to any permit from any local road authority.

Sec. 12. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.20] [PARATRANSIT DEMONSTRATION GRANT PROGRAM.] *Subdivision 1. [ESTABLISHMENT; PURPOSE.] There is hereby established a paratransit demonstration grant program for the purpose of eliminating or ameliorating the conditions described in section 473.402, subdivision 1, and similar conditions in other areas of the state by encouraging the implementation of projects for the transportation of passengers by means other than buses operating on regular routes.*

Subd. 2. [POWERS OF COMMISSIONER.] The commissioner of transportation shall have all powers necessary and convenient to administer the paratransit demonstration grant program, including the power to:

- (a) accept, and review applications for demonstration grants;*
- (b) make and execute contracts for the payment of grants, from an appropriation for that purpose, to pay all or a portion of*

the cost of any proposed project upon such conditions as the commissioner may require consistent with this section;

(c) provide technical services to assist in the planning, development and operation of approved projects;

(d) accept and disburse federal money made available to the department for the purposes provided in this section;

(e) adopt rules necessary to implement the provisions of this section.

Subd. 3. [APPLICATION FOR GRANTS; PROCEDURE FOR REVIEW.] *Any county or municipality, legislatively established public transit authority or other public agency or private entity or person may seek a grant for a paratransit project by submitting an application to the commissioner. The commissioner shall provide for the form and content of all applications. The commissioner shall review the application before approving any grant for a proposed project. In reviewing any application the commissioner shall consider such matters as the following:*

(a) whether the applicant is capable of carrying out the project proposed in the application;

(b) the extent to which the proposed project successfully addresses the conditions sought to be eliminated or ameliorated by the program in a cost effective manner; and

(c) the extent to which the proposed project is effectively coordinated with existing means of passenger transportation in the general area served by the project.

The commissioner shall not approve any grant if: (1) the application for the grant was not reviewed and approved by the appropriate regional development commission or the metropolitan council for consistency with regional transportation plans and development guides; or (2) in the case of a project to be operated in the metropolitan area, the application has not been reviewed by the Twin Cities area metropolitan transit commission for consistency with its transportation development program; or (3) the project will cause a reduction in ridership on existing regular route bus service. Provided that, any regional development commission that has not adopted a transportation plan may review but may not approve or disapprove of any application. The commissioner shall establish by rule the procedures and standards for review and approval of applications submitted pursuant to this subdivision.

Subd. 4. [PROJECT MONITORING; REPORT TO THE LEGISLATURE.] *The commissioner shall monitor every project for which a grant is approved pursuant to this section in order to determine the actual results and costs of each project, its applicability to other locations and circumstances and such other information as the commissioner determines to be useful in the administration of the paratransit demonstration grant program. The commissioner shall report to the legislature by January 1 of each year concerning his activities pursuant to this section.*

The report shall include a list of all projects for which grants have been made with a description and current evaluation of each project and an evaluation of the impact of the paratransit demonstration grant program in eliminating or ameliorating passenger transportation problems. The first such report shall include a list of other paratransit projects operating in the state and a description and evaluation of each.

Sec. 13. [PARATRANSIT DEMONSTRATION GRANT PROGRAM EMERGENCY RULES.] *The commissioner of transportation may exercise emergency rulemaking authority as provided in section 15.0412, subdivision 5, to implement the provisions of section 12. The commissioner shall solicit information and opinions from outside the department as provided in section 15.0412, subdivision 6, prior to adopting these rules. Notwithstanding the provisions of section 15.0412, subdivision 5, any rules adopted under this section shall be effective until permanent rules are adopted pursuant to chapter 15 or until July 1, 1978, whichever occurs first. This section shall expire on the same date that rules adopted pursuant to this section cease to be effective."*

Page 12, after line 19, insert

"Sec. 16. Minnesota Statutes 1976, Section 473.121, is amended by adding a subdivision to read:

Subd. 18b. "Transit" means transportation of passengers for hire or otherwise, by means, without limitation, of a street railway, elevated railway, subway, underground railroad, motor vehicles, buses, or other means of conveyance whether operating as a common carrier on a regular route or routes or otherwise, or any combination thereof; provided, however, that "transit" shall not include a common carrier railroad or common carrier railroads.

Sec. 17. Minnesota Statutes 1976, Section 473.121, Subdivision 19, is amended to read:

Subd. 19. "Public transit" means transportation of passengers for hire by means, without limitation, of a street railway, elevated railway, subway, underground railroad, motor vehicles, buses, or other means of conveyance transit operating as a common carrier on a regular route or routes ; or any combination thereof; provided, however, that "public transit" shall not include a common carrier railroad or common carrier railroads .

Sec. 18. Minnesota Statutes 1976, Section 473.402, is amended to read:

473.402 The legislature finds and determines that nearly half the people of the state live in the metropolitan transit area hereinafter established. The population of that area is growing faster than in any other area of the state, and it is continually visited by large numbers of people from other parts of the state, resulting in a heavy and steadily increasing concentration of resident and transient population and creating serious problems of public transit and public highway traffic in the area. The present public transit systems in the area consist largely of bus lines using the public

highways and streets. These systems are inadequate to meet the needs for public transit in the area. A major part of the transportation of people in the area is provided by private motor vehicles. All of the foregoing adds heavily to the traffic load on the state highways which constitute the main routes of travel to, from, and through the area, aggravating the congestion and danger of accidents thereon, polluting the surrounding air, intensifying the wear and tear on those highways and streets, increasing the cost of maintenance thereof, and the number, size, and cost of new highways that must be constructed in the area. These effects will progressively grow worse as the population of the area increases, imposing serious handicaps on the business, industry, property development, recreation, and other beneficial activities of the residents of the area and visitors thereto, and causing severe and widespread harm to the public health, safety and welfare of the area and the entire state. It is beyond the capacity of the present operators of public transit systems and other existing public and private agencies unassisted to make adequate provision for public transit in the area or for dealing effectively with the aforesaid problems and conditions therein. The legislature therefore declares as the public policy of the state that for the protection and advancement of the public health, safety, and welfare of the metropolitan transit area and the entire state, and in order to provide for adequate public transit within the area, reduce the traffic congestion and hazards on the state and other highways and streets therein, and relieve the other harmful conditions aforesaid, there is urgent need for the establishment of that area as herein defined, for the creation of a metropolitan transit commission therefor with the powers and duties herein prescribed, for the implementation of a comprehensive transportation policy plan for the area and for the other measures herein provided for. [OBJECTIVES.] *The metropolitan transit commission shall endeavor to achieve the following objectives:*

(a) *Reduce the number of persons driving motor vehicles in the metropolitan transit area by increasing the percentage of persons riding during the morning peak traffic period from 42 percent in 1970 to 55 percent in 1980;*

(b) *Develop or promote transit service for transit dependent persons in the more fully developed parts of the transit area, and promote increased use of this service;*

(c) *Make all transit service operated or promoted by the commission attractive to riders and potential riders;*

(d) *Operate all transit service in a cost efficient manner; and*

(e) *Operate all transit service in a cost effective manner in order to maximize ridership.*

Sec. 19. Minnesota Statutes 1976, Section 473.421, is amended to read:

473.421 [METROPOLITAN TRANSIT COMMISSION; PROMOTION OF USE OF CAR POOLS AND EMPLOYER VANS.] The metropolitan transit commission shall promote the use of

car pools and employer vans in the metropolitan area. The commission's goal shall be to provide employees and employers with incentives to achieve by January 1, 1980, in the metropolitan area between 6:00 a.m. and 9:00 a.m. an increase of the proportion of persons riding rather than driving in motor vehicles from the 37.42 percent figure of 1970 to 59.55 percent.

Sec. 20. Minnesota Statutes 1976, Section 473.423, Subdivision 1, is amended to read:

473.423 [EMPLOYER VANS ACQUISITION PROGRAM.] Subdivision 1. It is the purpose of the employer vans acquisition program to encourage the transportation of employees to and from work where the metropolitan transit commission finds that the employees reside in the transit taxing district and are not adequately served by the bus system *public transit*.

Sec. 21. Minnesota Statutes 1976, 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 *shall* levy *each year* upon all taxable property within the metropolitan transit taxing district, defined herein, a transit tax ; which shall not in any year exceed the sum consisting 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 shall* 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 for payment of the expenses of operating regular route bus service;*

(b) Such *An* additional amount, if any, as the commission determines to be necessary to provide for the full and timely payment of its certificates of indebtedness and other obligations *outstanding on July 1, 1977*, to which property taxes under this section have been pledged ; *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 ; and*

(c) Nothing in this section shall be construed as providing funding for the preliminary engineering, consultant studies, or construction of a regional fixed guideway system *An additional*

amount necessary to provide full and timely payment of bonds in the principal amount of \$9,000,000 which the commission is authorized to sell during the biennium ending June 30, 1979, for the purpose of purchasing buses and related equipment, and constructing maintenance and other buildings, bus shelters and road related improvements.

Sec. 22. Minnesota Statutes 1976, Chapter 473, is amended by adding a section to read:

[473.4462] [REDUCED FARE SERVICE.] *Subdivision 1. [SOCIAL FARES.] Except between the hours of 4:00 a.m. and 9:00 a.m. and between the hours of 3:30 p.m. and 6:30 p.m., on Monday through Friday of each week, the commission shall charge the following reduced fares for regular route bus service:*

(a) *ten cents plus any zone charges for all persons under the age of 18 holding an identification card issued by the commission;*

(b) *free fares for all persons over the age of 65 holding a medicare card or other identification card authorized or approved by the commission; and*

(c) *one-half of the full fare for all handicapped persons, as defined by the commission.*

Subd. 2. [REDUCED FARE REIMBURSEMENT.] The department of transportation shall reimburse the commission for the difference between the full fare otherwise charged by the commission and the fare actually charged for any passenger pursuant to the reduced fare provisions of subdivision 1. Reimbursement shall be paid monthly upon a report by the commission of the number of reduced fare passengers carried for the preceding calendar month in each reduced fare category and the total amount that otherwise would have been charged for the service by the commission on a full fare basis.

Subd. 3. [DOWNTOWN CIRCULATION FARES.] The commission may charge not less than ten cents for service on any route providing circulation service in a downtown area or community activity center. The affected municipality shall contribute at least 50 percent of the costs of operating any such route that is exclusively confined to a downtown area or community activity center.

Subd. 4. [OTHER REDUCED FARES PROHIBITED; EXCEPTION.] Reduced fares required under subdivision 1 apply all day on any weekday which the commission determines to be a holiday. Except for the advance sale of service through special passes or for other special promotional efforts, and except as provided in this section, the commission shall not grant any reduced fares for regular route bus service.

Sec. 23. Minnesota Statutes 1976, Chapter 473, is amended by adding a section to read:

[473.4464] [PERFORMANCE FUNDING.] *Subdivision 1.*

[DEFINITIONS.] For the purpose of this section the following terms have the meanings given them in this subdivision.

(a) "Commissioner" means the commissioner of transportation.

(b) "Contract" means a contract made pursuant to the supplemental public transit aid program act of 1974, Laws 1974, Chapter 534, Section 4, Subdivision 4, as amended.

(c) "Subsidy per passenger" means the amount calculated pursuant to subdivision 3, clause (b) plus the amount paid under any contract pursuant to subdivision 2, divided by the number of passengers carried on regular route bus service operated by the commission during that year, excluding passengers carried on routes for which reimbursement is paid pursuant to section 9, subdivision 6.

Subd. 2. [BASIS AND FORM OF CONTRACT.] Any contract entered into by the commissioner and the commission which provides financial assistance to the commission during any year subsequent to December 31, 1977, shall provide for payment to the commission of an amount which, when added to the amount calculated under subdivision 3, clause (b), will provide the commission with the subsidy per passenger provided by law for that calendar year, and shall not provide for any additional payment of any kind to the commission.

Subd. 3. [COMPUTATION OF SUBSIDY PER PASSENGER.] (a) **[DUTIES OF THE COMMISSION.]** After the close of each month, the commission shall report to the commissioner the number of passengers carried during that month on regular route bus service operated by the commission. The commissioner shall use these figures reported by the commission in computing payments due under any contract entered into pursuant to this section. The commission shall make available to the commissioner any information required to permit the commissioner to carry out his duties under this section.

(b) **[DUTIES OF THE COMMISSIONER.]** The commissioner shall calculate the total amount of money received by the commission from all sources to pay the expenses of operating regular route bus service during the calendar year and shall include the following items in that amount:

(i) grants from the federal government pursuant to 49 U.S.C. 1604;

(ii) proceeds of any property tax levied by the commission under section 473.446, clause (a);

(iii) financial assistance received from political subdivisions, public agencies other than the department of transportation or private entities or persons whether received as a grant, payment of a contractual obligation or otherwise. The commissioner shall exclude from that amount any revenue received by the commission from fares paid for regular route bus service and money paid by the commissioner to reimburse the commission for providing reduced fare service pursuant to section 22 or for service on any new

route initiated pursuant to section 24, subdivision 6. The commissioner shall periodically examine the commission's data concerning the number of passengers carried on regular route bus service and the procedures for collecting that data.

Subd. 4. [PROCEDURE FOR MONTHLY PAYMENT.] Sums owed under any contract made pursuant to this section for a term of a full calendar year shall be paid according to the procedure set forth in this subdivision.

For each of the first 11 months of any calendar year and upon receipt of the monthly report of passengers carried by the commission, the commissioner shall proceed as follows: (a) the commissioner shall first calculate a figure equal to one-twelfth of the estimated total amount of money to be received by the commission during the calendar year from all sources, as set forth in subdivision 3, clause (b), to pay the expenses of regular route bus service, divided by the number of passengers actually carried during the preceding month; (b) the commissioner shall then subtract the figure obtained by the calculation under clause (a) from the subsidy per passenger provided by law for that calendar year; and (c) the commissioner shall forthwith pay to the commission the amount equal to the remainder obtained under clause (b) multiplied by the reported number of passengers carried during the preceding month. After the close of any calendar year the commissioner shall calculate the actual amount of money received by the commission during that year as provided in subdivision 3, clause (b), and shall make whatever adjustment is necessary in the payment for the final month so that the total amount paid under the contract for the calendar year, when added to the amount calculated under subdivision 3, clause (b), and divided by the reported number of passengers carried during that year, results in a subsidy per passenger equal to that provided by law for that year. If a contract provides for a term of less than a full calendar year, the commissioner shall pay the sums owed under the contract according to the provisions of this subdivision as far as practicable.

Subd. 5. [AMOUNT OF SUBSIDY PER PASSENGER.] For the purpose of contracts entered into by the commissioner and the commission pursuant to this section the subsidy per passenger for the commission shall be 48 cents in calendar year 1978, and 49 cents in the six month period ending June 30, 1979.

Sec. 24. Minnesota Statutes 1976, Chapter 473, is amended by adding a section to read:

[473.4466] [ROUTE DEFICIT LIMITATION.] **Subdivision 1. [DEFINITIONS.]** For the purposes of this section the following terms have the meanings given:

- (a) "Commissioner" means the commissioner of transportation.
- (b) "Municipality" means any statutory or home rule charter city, county or town.
- (c) "Route" means any route on which the commission operates regular route bus service.

(d) "Revenue attributable to the route" means the total of: (i) the fares actually paid on the route; (ii) amounts reimbursed pursuant to section 8 attributable to service on the route; and (iii) all payments received by the commission pursuant to subdivision 3 per retention of service on the route.

(e) "Route deficit" means the difference between the actual operating cost of any route and the revenue attributable to the route divided by the number of passengers carried on that route including transfers.

Subd. 2. [ROUTE DEFICIT LIMITS.] The commission may not retain bus service on any route after January 1, 1978, on which the route deficit exceeds \$1.25, and may not retain service on any route after January 1, 1979, on which the route deficit exceeds \$1.

Subd. 3. [IDENTIFICATION OF ROUTES; REDUCTION OF ROUTE DEFICIT.] Following July 1, 1977, the commission shall identify all routes on which the route deficit for the preceding six months exceeds \$1.25 and, following July 1, 1978, shall identify all routes on which the route deficit for the preceding six months exceeds \$1. The commission may reduce the route deficit on any route so identified by:

(a) increasing the fare charged for service on the route either by a selective or zone wide increase;

(b) cutting trips on the route or cutting segments of the route or both; or

(c) entering into contracts to reduce the route deficit pursuant to subdivision 4; or

(d) any combination of the methods described in (a), (b) and (c). Within 30 days of identifying any route pursuant to this subdivision, the commission shall inform any municipality in which an identified route is located that the commission is required to eliminate service on the route unless the route deficit is reduced and shall offer to meet with the governing body of the municipality to discuss all options for retaining service on the route or for providing or promoting some other form of transit service.

Subd. 4. [CONTRACTS TO REDUCE ROUTE DEFICIT.]

(a) [AUTHORITY OF COMMISSION.] The commission may enter contracts with any municipality or other public agency or private entity or person for the purpose of reducing the route deficit on a route identified pursuant to subdivision 3, in order to retain service by the commission on the route.

(b) [AUTHORITY OF MUNICIPALITY.] Any municipality is hereby authorized to spend money and to enter contracts with the commission for the purpose of reducing the route deficit on any route identified pursuant to subdivision 3, in order to retain service on that route.

Subd. 5. [REDUCTION OF TRANSIT TAX LEVY.] Not-

withstanding the enumeration of cities, towns or unorganized territories provided in section 473.446, subdivision 2, any such town, city or unorganized territory otherwise included in the metropolitan transit taxing district for which no regular route bus service is provided by the commission or by a private carrier receiving an operating subsidy from the commission, or for which no service is provided by any project receiving a state paratransit demonstration grant, shall be subject to the tax authorized under section 473.446, subdivision 1a.

Subd. 6. [INITIATION OF NEW ROUTES; STATE REIMBURSEMENT.] The commission may initiate service on new routes for which the route deficit exceeds the maximum amount permitted for retention of routes as provided in subdivision 2, if the commission reduces the route deficit on any new route to the maximum otherwise permitted for retention of routes within one year of initiation of service. The commissioner of transportation may, upon application by the commission, reimburse the commission for an amount which, if counted as revenue attributable to the route, would reduce the route deficit on a new route initiated under this subdivision to the maximum amount otherwise permitted under subdivision 2. No reimbursement shall be paid for any service on any new route initiated under this subdivision after one year from the date of initiation of the service.

Sec. 25. [SAINT PAUL DOWNTOWN PEOPLE MOVER.] Subdivision 1. [FEASIBILITY STUDY; CONDITIONS OF EXPENDITURE BY THE COMMISSION.] The Twin Cities metropolitan transit commission shall expend no public money for any expenses related to the Saint Paul downtown people mover project except as provided in this subdivision. The commission may spend up to \$150,000 for a preliminary engineering study of the project under a joint powers agreement with the city of Saint Paul, provided that the commission and the city shall first amend the joint powers agreement under which the study is to be undertaken to

(a) remove the chief administrator of the commission and the chairman of the transit development committee from the steering committee charged with directing the study, include as members of that committee the commissioner of the department of transportation and the chairman of the transportation advisory board of the metropolitan council and permit one state senator appointed by the majority leader of the senate and one state representative appointed by the speaker of the house to serve as nonvoting members of the committee;

(b) require that all third party contracts for consultants be approved by a majority of the steering committee with no veto power by the city of Saint Paul;

(c) require that the preliminary engineering study include a feasibility study consisting of (1) an analysis of the prudent and feasible alternatives to a fixed guideway transportation system that will achieve the development and other goals of the people mover project, (2) a study of the potential people mover

ridership, (3) a review of the economic development assumptions used in predicting the economic benefits of the project, and (4) formulation of a specific plan setting forth the sources and method of payment of operating deficits and capital cost overruns of the project;

(d) provide for access to information for the state planning agency at every stage of the study; and

(e) require submission of the completed study to the state planning agency for review pursuant to subdivision 2.

Subd. 2. [EVALUATION BY THE STATE PLANNING AGENCY.] *The state planning agency shall independently evaluate the preliminary engineering study upon its completion. The agency shall submit a report of its findings to the legislature and to the steering committee created under the joint powers agreement no later than 30 days following the submission to the agency of the completed study. The report shall include the agency's findings with respect to the reasonableness, accuracy and reliability of the assumptions and conclusions of the study. The agency shall give particular attention to the matters required to be included in the feasibility study. The agency shall contract with an independent private consultant to carry out the duties imposed by this section."*

Page 12, line 21, delete "and 219.401," and insert "219.401; and 473.446, Subdivisions 4 and 5"

Page 12, after line 21, insert

"Sec. 27. [EFFECTIVE DATE.] *Sections 11, 12, 13, 24, and 25, and the repeal of section 473.446, subdivision 5, are effective the day following final enactment. All other sections of this act are effective July 1, 1977."*

Renumber the sections

Amend the title as follows:

Line 5, after "purposes" insert "with certain conditions"

Line 6, after "Sections" insert "169.81, by adding a subdivision;"

Line 6, delete "and"

Line 6, after "5," insert "473.121, Subdivision 19, and by adding a subdivision; 473.402; 473.421; 473.423, Subdivision 1; 473.446, Subdivision 1; Chapters 174, by adding a section; and 473, by adding sections;"

Line 8, delete "and"

Line 8, after "219.401" insert "; and 473.446, Subdivisions 4 and 5"

The motion prevailed. So the amendment was adopted.

H. F. No. 1610 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lewis	Pillsbury	Stokowski
Bang	Gunderson	Luther	Purfeerst	Strand
Benedict	Hanson	McCutcheon	Renneke	Tennessee
Bernhagen	Humphrey	Menning	Schaaf	Ueland, A.
Borden	Johnson	Merriam	Schmitz	Ulland, J.
Brataas	Keefe, J.	Moe	Schrom	Vega
Coleman	Keefe, S.	Nelson	Setzepfandt	Wegener
Davies	Kirchner	Nichols	Sieloff	Willet
Dieterich	Kleinbaum	Olhoft	Sikorski	
Dunn	Knoll	Penny	Sillers	
Engler	Laufenburger	Perpich	Spear	
Frederick	Lessard	Peterson	Staples	

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 897 a Special Order to be heard immediately.

S. F. No. 897: A bill for an act relating to crime victims reparations; raising the amount of reparations paid to claimants suffering economic loss; appropriating money; amending Minnesota Statutes 1976, Section 299B.04.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Olhoft	Sillers
Ashbach	Gearty	Knutson	Penny	Spear
Benedict	Gunderson	Lessard	Perpich	Staples
Bernhagen	Hanson	Lewis	Peterson	Stokowski
Borden	Hughes	Luther	Pillsbury	Strand
Brataas	Humphrey	McCutcheon	Purfeerst	Tennessee
Coleman	Johnson	Menning	Renneke	Ueland, A.
Davies	Keefe, J.	Merriam	Schaaf	Ulland, J.
Dieterich	Keefe, S.	Moe	Schmitz	Vega
Dunn	Kirchner	Nelson	Setzepfandt	Wegener
Engler	Kleinbaum	Nichols	Sikorski	Willet

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 193 a Special Order to be heard immediately.

H. F. No. 193: A bill for an act relating to the military; financing of armory construction; amending Minnesota Statutes 1976,

Sections 193.143; 193.145, Subdivision 2; and 193.146, Subdivision 1; repealing Minnesota Statutes 1976, Section 193.1431.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 43 and nays 9, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Lessard	Peterson	Stokowski
Bernhagen	Hanson	McCutcheon	Pillsbury	Strand
Borden	Humphrey	Merriam	Purfeerst	Ueland, A.
Brataas	Johnson	Moe	Renneke	Ulland, J.
Chmielewski	Keefe, J.	Nelson	Schmitz	Vega
Dunn	Kirchner	Nichols	Setzepfandt	Wegener
Engler	Kleinbaum	Olhoff	Sieloff	Willet
Frederick	Knoll	Penny	Sikorski	
Gearty	Knutson	Perpich	Sillers	

Those who voted in the negative were:

Benedict	Dieterich	Luther	Spear	Tennessee
Coleman	Keefe, S.	Schaaf	Staples	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 120 a Special Order to be heard immediately.

S. F. No. 120: A bill for an act relating to education; establishing pilot transitional bilingual education programs; granting certain powers and duties to the state board of education; establishing a state bilingual education advisory task force; appropriating money; amending Minnesota Statutes 1976, Sections 120.095, by adding a subdivision; 120.10, Subdivision 2; and 126.07.

Mr. McCutcheon moved to amend S. F. No. 120 as follows:

Page 2, line 2, strike "large numbers of" and insert "bilingual educational methods and techniques may help provide an effective transition by means of which students of limited English speaking ability may be aided in developing the ability to perform ordinary classroom work in English; and"

Page 2, strike lines 3 and 4

Page 2, line 5, strike "educational methods and techniques;"

Page 2, line 15, after "of" insert "pilot transitional"

Page 3, line 31, after the semicolon, insert "(iv) Opportunities to develop the ability to identify, create and apply instructional techniques that will better enable children of limited English speaking ability to make an effective transition to the successful performance of ordinary classwork in English."

Page 5, line 32, strike "*and*" and insert "*at any time*"

Page 6, line 1, strike "*the time*"

Page 6, line 1, after "*and*" insert "*the*"

Page 6, line 5, strike "*the close of any semester*" and insert "*any time*"

Page 6, line 9, strike "*no*"

Page 6, line 10, strike "*withdrawal shall be allowed until*"

Page 6, line 10, after "*is*" insert "*given the opportunity to be*"

Page 6, line 12, strike "*At that conference, parents*" and insert "*If the parent chooses to participate in*"

Page 6, strike line 13

Page 6, line 14, strike "*which the child will be placed.*"

Page 6, line 14, after "*conference*" insert "*, it*"

Page 7, line 7, after "*a*" insert "*pilot transitional*"

Page 8, line 11, after the semicolon insert "*and*"

Page 10, line 19, strike "*shall*" and insert "*may*"

Page 14, line 1, after "*need for*" insert "*transitional*"

Page 14, line 30, after "*in*" insert "*transitional*"

Page 15, line 10, after "*for*" insert "*transitional*"

Page 18, line 29, after "*that*" insert "*transitional*"

Page 19, line 4, after "*providing*" insert "*transitional*"

Page 19, line 12, after "*is*" strike the remainder of the line and insert "*funded pursuant to federal law.*"

The motion prevailed. So the amendment was adopted.

S. F. No. 120 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 53 and nays 6, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lewis	Perpich	Solon
Ashbach	Hanson	Luther	Peterson	Spear
Bang	Hughes	McCutcheon	Pillsbury	Stokowski
Benedict	Humphrey	Menning	Purfeerst	Strand
Bernhagen	Johnson	Milton	Schaaf	Tennessee
Chmielewski	Keefe, J.	Moe	Schmitz	Ueland, A.
Coleman	Keefe, S.	Nelson	Schrom	Ulland, J.
Davies	Kirchner	Nichols	Setzenfandt	Vega
Dieterich	Kleinbaum	Olhoff	Sieloff	Willet
Engler	Knoll	Olson	Sikorski	
Gearty	Laufenburger	Penny	Sillers	

Those who voted in the negative were:

Brataas	Frederick	Knutson	Merriam	Staples
Dunn				

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 783 a Special Order to be heard immediately.

S. F. No. 783: A bill for an act relating to libraries; requiring distribution of certain state publications to county libraries; appropriating money; amending Minnesota Statutes 1976, Sections 15.051, Subdivision 4; 15.047, Subdivision 2; and 648.39, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Peterson	Staples
Ashbach	Gearty	Lessard	Pillsbury	Strand
Bang	Gunderson	Luther	Purfeerst	Tennessee
Benedict	Hughes	Menning	Renneke	Ueland, A.
Bernhagen	Humphrey	Merriam	Schaaf	Ulland, J.
Brataas	Johnson	Milton	Schmitz	Vega
Chmielewski	Keefe, J.	Nelson	Setzepfandt	Willet
Coleman	Keefe, S.	Olhoft	Sieloff	
Davies	Kirchner	Olson	Sikorski	
Dieterich	Knoll	Penny	Sillers	
Dunn	Knutson	Perpich	Spear	

Mr. Stokowski voted in the negative.

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to 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 Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 1179, 210, 1019 and H. F. Nos. 1161, 791, 922, 1102 and 1079 which the committee recommends to pass.

H. F. No. 40 which the committee recommends to pass, subject to the following motion:

Mr. Spear moved that the amendment made to H. F. No. 40 by the Committee on Rules and Administration in the report adopted April 14, 1977, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 808 which the committee recommends to pass.

The question was taken on the recommendation to pass H. F. No. 808.

The roll was called, and there were yeas 33 and nays 22, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Laufenburger	Peterson	Solon
Brataas	Hanson	Lessard	Pillsbury	Ueland, A.
Chmielewski	Jensen	Lewis	Purfeerst	Ulland, J.
Dunn	Keefe, S.	Menning	Renneke	Vega
Engler	Kirchner	Moe	Schmitz	Wegener
Frederick	Kleinbaum	Nichols	Setzepfandt	
Gearty	Knoll	Ogdahl	Sillers	

Those who voted in the negative were:

Benedict	Johnson	Merriam	Schaaf	Tennessen
Coleman	Keefe, J.	Nelson	Spear	Willet
Davies	Knutson	Olhoft	Staples	
Dieterich	Luther	Penny	Strand	
Humphrey	McCutcheon	Perpich	Stumpf	

The motion prevailed. So H. F. No. 808 was recommended to pass.

H. F. No. 848, which the committee recommends to pass with the following amendment offered by Mr. Stokowski:

Amend H. F. No. 848, as amended pursuant to Rule 49, adopted by the Senate May 9, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 441.)

Page 1, line 17, strike "*of this act*"

Page 2, line 9, strike "1979" and insert "1978"

Page 4, line 14, strike "*of this act*"

Page 4, line 16, strike "1979" and insert "1978"

Page 4, lines 27 and 28, strike "*of this act*"

Page 5, lines 3, 17, 23 and 29, strike "*of this act*"

Page 14, line 3, strike "1979" and insert "1978"

Page 17, lines 5 and 32, strike "*of this act*"

Page 19, line 27, strike "*of this act*"

Page 20, lines 4, 8, 15, 17 and 28, strike "1979" and insert "1978"

Page 20, lines 9 and 23, strike "*of this act*"

Page 20, line 11, strike ", *of this act*"

Page 20, line 19, strike "1984" and insert "1983"

Page 20, line 23, strike "1983" and insert "1982"

Page 20, line 30, strike "1980" and insert "1979"

Page 21, line 2, strike "of this act"

Page 21, line 2, strike "1981" and insert "1980"

Page 21, lines 11 and 12, strike "of this act"

Page 21, line 24, strike "1979" and insert "1978"

Amend the title as follows:

Page 1, lines 2 and 3, strike "miscellaneous amendments; establishment of" and insert "establishing"

Page 1, line 3, after "coordinated" insert "retirement"

Page 1, line 4, after "program" insert "for certain municipal employees; extending the date relating to certain actuarial assumptions"

H. F. No. 635, which the committee recommends to pass with the following amendment offered by Mr. Spear:

Page 2, line 28, strike ". *The commissioner may*"

Page 2, strike line 29

Page 2, line 30, strike everything before the semicolon

H. F. No. 916, which the committee recommends to pass with the following amendment offered by Mr. Vega:

Amend H. F. No. 916, as amended pursuant to Rule 49, adopted by the Senate May 9, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 662.)

Page 17, line 7, after "*made*" insert "*pursuant to this section*"

S. F. No. 73, which the committee recommends to pass with the following amendment offered by Mr. Nichols:

Page 1, line 7, strike "ground-based"

Page 1, line 8, strike "as a method for attempting to modify" and insert "which emits cloud-seeding material into the air when located on or in contact with the ground with the intention of and for the purpose of producing artificial changes in the composition, motions, and resulting behavior of the atmosphere or clouds within the atmosphere, including fog"

Page 1, line 9, strike "the weather"

Amend the title as follows:

Line 3, strike "ground-based" and insert "the use of"

Line 3, after "apparatus" insert "located on the ground"

On motion of Mr. Coleman, 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 subject to the call of the President. The motion prevailed.

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to 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. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 126: A bill for an act relating to taxation; providing for the taxation of unemployment compensation benefits if the benefits and federal gross income exceeds \$15,000; amending Minnesota Statutes 1976, Section 290.01, Subdivision 20.

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

Page 4, line 32, strike "*but only to the extent that the benefits are*"

Page 5, line 1, strike "*attributable to employers and only*" and insert "*a similar law of another state, the Railroad Unemployment Act, Title 5 of U.S.C. Chapter 85, or any similar law*"

Page 8, after line 30, insert

"Sec. 2. Minnesota Statutes 1976, Section 290.56, Subdivision 1, is amended to read:

290.56 [EXAMINATION OF TAXPAYER'S RECORDS; FEDERAL RETURNS; EXTENSIONS.] Subdivision 1. [POWERS OF EXAMINATION.] For the purpose of determining the correctness of any return or of determining whether or not any person should have made a return or paid taxes or for the purpose of collection of any such taxes hereunder, the commissioner shall have power to examine, or cause to be examined, any books, papers, records, or memoranda relevant to making such determinations, or collecting such tax, including the taxpayer's retained copy of his return of income to the United States government for any year, whether such books, papers, records, or memoranda are the property of or in the possession of the taxpayer or any other person or corporation. He shall further have power to require the attendance of any taxpayer or other person having knowledge or information in the premises to compel the produc-

tion of books, papers, records, or memoranda by persons so required to attend, to take testimony on matters material to such determination, and to administer oaths or affirmations. *The commissioner may require the commissioner of employment services to provide information concerning whether a taxpayer subject to examination is presently receiving, has previously received or applied for unemployment compensation benefits during a taxable year, the return for which is being examined, the amount received, and the most recent known address of the taxpayer. The department of employment services shall be reimbursed by the department of revenue for its reasonable cost of producing the information required.*"

Renumber the remaining section

Amend the title as follows:

Line 5, strike "Section" and insert "Sections"

Line 6, after "20" insert "; and 290.56, Subdivision 1"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 899: A bill for an act relating to nursing homes; clarifying requirements for administration and inspections; changing provisions for reimbursement of expenses for interest on capital indebtedness; deleting certain provisions and adding new provisions on investment allowance; providing depreciation allowances; providing for reimbursable expenses; providing for a study on nursing assistant training; amending Minnesota Statutes 1976, Sections 144A.05; 144A.10, Subdivisions 2 and 5; 144A.61, Subdivision 6; 256B.27, by adding a subdivision; 256B.43, by adding subdivisions; 256B.44, Subdivisions 2 and 3; 256B.45, Subdivisions 1 and 4; 256B.47, Subdivisions 1 and 2; 256B.48, Subdivision 1; and Chapter 144A, by adding a section; repealing Minnesota Statutes 1976, Section 256B.45, Subdivisions 2 and 3.

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

Page 1, after line 20, insert:

"Section 1. Minnesota Statutes 1976, Section 144.652, Subdivision 2, is amended to read:

Subd. 2. A substantial violation of the rights of any resident as defined in section 144.651, shall be grounds for issuance of a correction order pursuant to section 144.653 or 144A.10. The issuance of a correction order shall not preclude private action by or on behalf of a resident to enforce his rights.

Sec. 2. Minnesota Statutes 1976, Section 144A.04, Subdivision 3, is amended to read:

Subd. 3. The facility must meet the minimum health, sanita-

tion, 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.

The board of health shall allow a nursing home to provide fewer hours of nursing care to residents receiving intermediate care than required by the rules of the board if the board determines that the needs of the residents of the home will be adequately met by a lesser amount of nursing care."

Page 4, line 6, strike "Minnesota Statutes 1976, Chapter 144A, is"

Page 4, strike line 7

Page 4, line 8, strike "[144A.612]"

Page 4, after line 16, insert:

"Sec. 8. Minnesota Statutes 1976, Section 214.10, is amended by adding a subdivision to read:

Subd. 2a. A board shall initiate proceedings to suspend or revoke a license or shall refuse to renew a license of a person licensed by the board who is convicted in a court of competent jurisdiction of violating sections 609.23, 609.231, 609.465, 609.466, 609.52 or 626.555 . "

Page 4, line 23, strike "subdivisions" and insert "a subdivision"

Page 4, strike lines 29 through 31

Page 6, line 7, strike "successive"

Page 6, line 7, after "year" insert "after the year in which the nursing home was originally purchased"

Page 6, line 30, before "All" insert "*The state agency shall reimburse nursing homes for the costs of nursing care in excess of any state agency limits on hours of nursing care if the board of health issues a correction order pursuant to section 144A.10, subdivision 4, directing the nursing home to provide the additional nursing care.*"

Page 7, line 9, after "of" insert "improved"

Page 8, line 11, strike "calendar"

Page 9, line 30, strike "hereby"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, after "Sections" insert "144.652, Subdivision 2; 144A.04, Subdivision 3;"

Page 1, line 12, after "6;" insert "214.10, by adding a subdivision;"

Page 1, line 13, after "adding" insert "a"

Page 1, line 13, strike "subdivisions" and insert "subdivision"

Page 1, lines 16 and 17, strike "Chapter 144A, by adding a section;"

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

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 1214: A bill for an act relating to taxation; establishing filing requirements for a condominium association; amending Minnesota Statutes 1976, Section 290.37, 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 1976, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. [GROSS INCOME.] Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source; *except that gross income shall not include "exempt function income" of a "homeowners association" as those terms are defined in Section 528 of the Internal Revenue Code of 1954, as amended.*

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 modification 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 this chapter, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the extent that the deduction for 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 carry-forwards 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 41.59, subdivision 2 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 carry-forwards 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 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. 2. [EFFECTIVE DATE.] *This act is effective for taxable years beginning after December 31, 1976.*"

Amend the title as follows:

Strike it in its entirety and insert:

"A bill for an act relating to taxation; removing membership

dues, fees and assessments received by certain homeowners associations from definition of gross income for corporate income tax purposes; amending Minnesota Statutes 1976, Section 290.01, Subdivision 20."

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 266: A bill for an act relating to elections; providing for training of all election officials; requiring training prior to service as an election judge; imposing certain duties on the secretary of state and county auditors; appropriating money; amending Minnesota Statutes 1976, Sections 204A.13, Subdivision 2, and by adding subdivisions; 204A.14, Subdivision 1; 204A.18, by adding a subdivision; 204A.20; and Chapter 204A, by adding a section.

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 801: A bill for an act relating to health care; catastrophic health expense protection; providing protection against certain nursing home expenses incurred for long term care; excluding certain dependent income from the definition of household income; amending Minnesota Statutes 1976, Sections 62E.52, Subdivisions 2 and 5, and by adding a subdivision; and 62E.53, Subdivision 2.

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 809: A bill for an act relating to veterans; authorizing commissioner of veterans affairs to assist in proceedings for upgrading other than honorable discharges; appropriating money; amending Minnesota Statutes 1976, Section 196.05.

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

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred

S. F. Nos. 1435, 124, 655, 889, 597, 665, 1201, 1137, 690 and H. F. Nos. 954, 41, 980, 316, 562, 257, 817 and 1015, makes the following report:

That S. F. Nos. 1435, 124, 655, 889, 597, 665, 1201, 1137, 690 and H. F. Nos. 954, 41, 980, 316, 562, 257, 817 and 1015 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the subcommittee on which floor action was requested. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 793: A bill for an act relating to public waters; transferring certain authority concerning lake improvement districts to the pollution control agency; clarifying local government authority over public waters; establishing a lake restoration and protection program; making grants-in-aid available for improving water quality in public lakes; prescribing certain powers and duties for the pollution control agency; appropriating money; amending Minnesota Statutes 1976, Sections 105.484; 378.41, Subdivisions 1 and 2; 378.45; 378.46; 378.53; 378.54; and 459.20.

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 1976, Section 105.484, is amended to read:

105.484 [LAKE IMPROVEMENTS; GRANTS-IN-AID; PRIORITIES.] The ~~commissioner of natural resources~~ *pollution control agency* with the assistance of the ~~pollution control agency department of natural resources~~ and the state planning agency shall make an assessment of the need for particular kinds of lake improvements including improvements related to pollution problems, high or low water levels, and any other resource management considerations and to develop by ~~January 1, 1976~~ *July 1, 1978*, criteria for allocating state aid funds among proposed projects. Where these relate to control of or studies of sources and effects of wastes per se, any grant funds for such work shall be under the pollution control agency directly or subject to the pollution control agency priority system. Provisions shall be included to insure that any federal program of aid to local lake improvement projects serves to reduce the local share of project costs rather than reducing only the state's share.

Sec. 2. Minnesota Statutes 1976, Section 378.41, Subdivision 1, is amended to read:

378.41 [ESTABLISHMENT OF LAKE IMPROVEMENT DISTRICTS.] Subdivision 1. In furtherance of the policy declared in section 378.31, the ~~commissioner of natural resources~~ *pollution control agency* shall coordinate and supervise a local-state program for the establishment of lake improvement districts by counties and cities for lakes located within their boundaries based on state guidelines and regulations and compatible with all state, regional, and local plans where such plans exist.

In administration of this program the ~~commissioner of natural resources~~ *pollution control agency* shall consult with and obtain advice from other state agencies on those aspects of the program for which the agencies have specific legislative authority

including but not limited to the department of health and the ~~pollution control agency department of natural resources~~.

Sec. 3. Minnesota Statutes 1976, Section 378.41, Subdivision 2, is amended to read:

Subd. 2. The ~~commissioner of natural resources Minnesota pollution control agency~~, on or before July 1, 1974 1978, shall promulgate in the manner provided by ~~pursuant to chapter 15, rules and regulations~~ which provide guidelines, criteria and standards for establishment of lake improvement districts by counties and cities.

Sec. 4. Minnesota Statutes 1976, Section 378.42, Subdivision 1, is amended to read:

378.42 [CREATION BY COUNTY BOARD.] Subdivision 1. The county board may establish a lake improvement district in a portion of the county by adoption of an appropriate resolution. The resolution shall specify the territorial boundaries of the area, which shall be *as consistent as possible* with natural hydrologic boundaries, the type or types of water and related land resources management programs to be undertaken in the area, a statement of the means by which the programs will be financed, and a designation of the county officer or agency who will be responsible for supervising the programs. ~~Nothing in Laws 1973, Chapter 702 shall be construed to prohibit any county from establishing a lake improvement district after May 25, 1973, provided that after July 1, 1974, any established lake improvement district shall be consistent with the rules and regulations promulgated under section 378.41.~~

Sec. 5. Minnesota Statutes 1976, Section 378.42, Subdivision 2, is amended to read:

Subd. 2. Before the adoption of such a resolution, the county board shall hold a public hearing on the question of whether or not a lake improvement district shall be established. *Before the date set for the hearing, any interested person may file his objections to the formation of such district with the county auditor. At the hearing, any interested person may offer objections, criticisms or suggestions as to the necessity of the proposed district as outlined and to the question of whether his property will be benefited by the establishment of the district.*

Sec. 6. Minnesota Statutes 1976, Section 378.42, is amended by adding a subdivision to read:

Subd. 3. *Following the hearing, if it appears to the board, after consideration of all testimony, that the proposed district is necessary or that the public welfare will be promoted by the establishment of the district, that the property to be included in the district will be benefited by the establishment thereof, and that the formation of the proposed district will not cause or contribute to long range environmental pollution, the county board, by formal order, shall declare its findings, shall establish the boundaries and shall declare the district organized and give it a corporate name by which it shall be known.*

Sec. 7. Minnesota Statutes 1976, Section 378.43, Subdivision 1, is amended to read:

378.43 [PETITION FOR CREATION.] Subdivision 1. A petition signed by five percent of the qualified voters within any portion of 51 percent of the resident owners as defined in section 112.35, subdivision 21, within the proposed lake improvement district as specified in the petition may shall be submitted to the county board filed with the county clerk and addressed to the board requesting the establishment of a lake improvement district to develop and provide a program of water and related land resources management. The petition shall specify the territorial boundaries of the area, which shall be consistent with natural hydrologic boundaries, the type or types of water and related land resource management programs to be undertaken in the area; a statement of the means by which the programs will be financed; and a designation of the county officer or agency who will be responsible for supervising the programs. Governmental subdivisions, other than the state or federal governments, owning lands within the proposed district are eligible to sign the petition. A home rule charter or statutory city or town may by resolution represent persons owning lands within the proposed district who are within its jurisdiction, and sign for all the resident owners.

The petition shall set forth the following:

- (1) The name of the proposed district;*
- (2) The necessity for the proposed district so that the public health or public welfare will be promoted by the establishment of the district and that the lands to be included therein will be benefited by the establishment or accomplish any of the purposes of a lake improvement district;*
- (3) The boundaries of the territory, which shall be as consistent as possible with natural hydrologic boundaries, to be included in the proposed district;*
- (4) A map of the proposed district;*
- (5) The number of managers proposed for the district. The managers shall not be less than three nor more than five and be selected from a list of ten nominees; and*
- (6) A request for the organization of the district as proposed.*

Sec. 8. Minnesota Statutes 1976, Section 378.43, Subdivision 3, is amended to read:

Subd. 3. Within 30 days following the holding of a public hearing the county board by resolution shall approve or disapprove the establishment of the requested lake improvement district and give it a corporate name by which it shall be known. A resolution approving the creation of the lake improvement district may contain modifications of the area's boundaries, functions, financing, or organization from what was set forth in the petition.

Sec. 9. Minnesota Statutes 1976, Section 378.46, is amended to read:

378.46 [PUBLICATION AND EFFECTIVE DATE.] Upon passage of a county board resolution or ~~commissioner's~~ *the agency's* order authorizing the creation of a lake improvement district, the county board or boards shall cause the resolution or order to be published once in the official newspapers *and filed with the secretary of state, the pollution control agency and the commissioner of natural resources*. The lake improvement district shall be deemed established 30 days after publication or at such later date as may be specified in the resolution or order.

Sec. 10. Minnesota Statutes 1976, Section 378.51, Subdivision 1, is amended to read:

378.51 [BOARD OF DIRECTORS.] Subdivision 1. After creation of a lake improvement district, the county board or boards ~~may shall~~ appoint persons to serve as a board of directors for the lake improvement district. ~~The number, qualifications, terms of office, removal, and filling of vacancies of directors shall be as provided in the resolution creating the board of directors. The initial board of directors shall include persons owning property within the district, at least one of whom is a resident of the district.~~

Sec. 11. Minnesota Statutes 1976, Section 378.51, Subdivision 3, is amended to read:

Subd. 3. When directed by resolution of the county board or boards creating it, the board of directors shall have, exercise, and perform the powers and duties of the county board under section 378.31, ~~except the power to acquire property by eminent domain~~.

Sec. 12. Minnesota Statutes 1976, Section 378.52, Subdivision 1, is amended to read:

378.52 [FINANCING.] Subdivision 1. The county board or boards in order to accomplish the purposes specified in the resolution or order creating a lake improvement district *may undertake projects of improvement consistent with these purposes and assess the costs of the projects upon benefited property within the district in the manner provided in chapter 429*, may impose service charges on the users of *such lake improvement district* services within the area, and may levy an ad valorem tax solely on property situated within the lake improvement district, to be appropriated and expended solely on projects of special benefit to the area, or any combination of service charges, *special assessments*, and taxes.

Sec. 13. Minnesota Statutes 1976, Section 378.55, is amended to read:

378.55 [EXPANSION OF THE BOUNDARIES OF A LAKE IMPROVEMENT DISTRICT.] A county board, on its own motion or pursuant to petition, may enlarge any existing lake improvement district pursuant to the procedures specified in sections 378.41 to 378.47. ~~In the event a referendum is required, only qualified voters residing in the area to be added shall be eligible~~

to participate in the election; provided that if five percent of the qualified voters residing in the existing lake improvement district petition to participate therein, all qualified voters residing in the proposed lake improvement district shall be eligible.

Sec. 14. Minnesota Statutes 1976, Section 378.56, Subdivision 1, is amended to read:

378.56 [TERMINATION.] Subdivision 1. Upon receipt of a petition signed by ten 51 percent of the qualified voters resident owners within the territory of the lake improvement district requesting the termination of the lake improvement district, or pursuant to its own resolution, the county board or boards shall make arrangements for the holding of a special election within the lake improvement district not less than *within* 30 nor more than 90 days after receipt of such a petition, by its order fix a time and place, for a hearing thereon. If a general election will be held within the time specified, the vote on termination may be held as part of the general election. The county auditor shall administer the election. The question to be submitted and voted upon by the qualified voters within the lake improvement district shall be phrased substantially as follows:

"Shall the lake improvement district heretofore established be terminated and the undertaking of additional water and related land resource improvements of the county as provided for within such lake improvement district be discontinued?"

If the board or boards determine that the existence of the district is no longer in the public welfare or public interest and it is not needed to accomplish the purpose of sections 378.31 to 378.46 the board or boards shall by its findings and order terminate the district. Upon filing a certified copy of the findings and order with the secretary of state, pollution control agency and commissioner of natural resources the district shall cease to be a political subdivision of the state.

Sec. 15. Minnesota Statutes 1976, Section 378.56, Subdivision 2, is amended to read:

Subd. 2. Upon certification of the vote by the county auditor, if a majority of those voting on the question favor the termination the lake improvement district shall be terminated. No additional water and related land resource management programs shall be undertaken with money raised by a special tax within the district, and no additional special water and related land resource management taxes shall be levied within the district. When money raised by past special tax levies within the district has been exhausted, further operation and maintenance of existing programs may be financed by appropriations from the general revenue fund of the county.

Sec. 16. Minnesota Statutes 1976, Chapter 378, is amended by adding a section to read:

[378.57] [ANNUAL MEETING OF DISTRICT.] *Every lake improvement district shall have an annual meeting. The first annual*

meeting shall be scheduled during the months of July or August, and shall be held annually thereafter unless changed by vote of the previous annual meeting.

(1) The annual meeting shall be preceded by written notice mailed at least ten days in advance of the meeting to all resident owners within the district and to the pollution control agency and commissioner of natural resources.

(2) The annual meeting shall:

(a) Elect one or more directors to fill vacancies in the district board.

(b) Approve a budget for the coming year.

(c) Approve or disapprove all proposed projects by the district having a cost to the district in excess of \$5,000, by vote of the resident owners within the district.

(d) Take up and consider such other business as comes before it.

Sec. 17. Minnesota Statutes 1976, Section 459.20, is amended to read:

459.20 [AUTHORITY OVER PUBLIC WATERS.] The governing body of any home rule charter or statutory city or town in the state has the following powers: (a) In , with respect to any body of water situated wholly within the municipal its boundaries, all the powers to improve and regulate the use of such body of water as are conferred on county boards by sections 378.31 and 378.32, and to establish and administer lake improvement districts under sections 378.41 to 378.56 ; and (b) In . With respect to any body of water situated partly wholly within the municipal contiguous boundaries ; the powers conferred on county boards by section 378.31, but only to the extent such powers are necessary for the purpose of preventing or controlling floods within the boundaries of the municipality and only in conjunction with projects undertaken pursuant to or in anticipation of an agreement with the government of the United States or any agency thereof of a group of home rule charter or statutory cities or towns or any combination thereof, the city councils and town boards may, under the provisions of section 471.59, jointly exercise such powers to improve and regulate the use of the body of water as are conferred on county boards by sections 378.31 and 378.32, and to establish and administer lake improvement districts as provided under sections 378.41 to 378.56, provided that, no home rule charter or statutory city or town may establish and administer a lake improvement district or exercise any of the powers granted in this section if a lake improvement district covering the same territory has been created by a county board under sections 378.41 to 378.56 . References in sections 378.31 to 378.35 and 378.41 to 378.56 to the county board shall mean also be construed to refer to the appropriate governing body of a home rule charter or statutory city or the board of supervisors of a town .

Sec. 18. [116.51] [DEFINITIONS.] *Subdivision 1. For the purposes of sections 19 to 24, the terms defined in this section have the meanings given them.*

Subd. 2. "Agency" means the Minnesota pollution control agency.

Subd. 3. "Applicant" means a municipality as defined in Minnesota Statutes, Section 116.16, Subdivision 2, Clause (2) or any other governmental subdivision of the state that is responsible by law for the supervision, management or control of a public lake, including but not limited to a watershed district, lake conservation district, soil and water conservation district, lake improvement district, or park district. If the rules of the agency provide, "applicant" may include a lake improvement association, sportsmen's club or association or other voluntary association meeting the eligibility requirements established by rule of the agency.

Subd. 4. "Department" means the Minnesota department of natural resources.

Subd. 5. "Discharge" means the addition of any pollutant to the waters of this state.

Subd. 6. "Point source" has the meaning given it in Minnesota Statutes, Section 115.01, Subdivision 15.

Subd. 7. "Non-point source" means any discharge other than from a point source and includes but is not limited to any diffuse discharge which is man-induced through agriculture, mining, urban and rural construction, urban storm runoff, nonurban based recreational activity, or silviculture.

Subd. 8. "Pollutant" means any sewage, industrial waste, or other waste, as those terms are defined in Minnesota Statutes, Chapter 115.

Subd. 9. "Trophic state" means the condition of a body of water described with regard to nutrient levels.

Subd. 10. "Nutrient" has the meaning given it in Minnesota Statutes, Section 116.22, Subdivision 3.

Subd. 11. "Public lake" means a public lake or reservoir which has shoreline within the boundaries of the state and which is further defined, for purposes of this act, by rule of the agency.

Sec. 19. [116.52] [LAKE RESTORATION AND PROTECTION PROGRAM; GENERALLY.] *The agency shall establish a lake restoration and protection program whose primary goal shall be to restore or protect the water quality of public lakes. Compilation of scientific data on lakes of this state and the encouragement of innovative techniques of lake restoration and protection shall also be goals of the program. Projects may be undertaken with the United States environmental protection agency, the agency, the department, and other governmental agencies or public and private organizations. Projects shall be divided into feasibility and implementation phases.*

Sec. 20. [116.53] [AGENCY; POWERS AND DUTIES.] *Subdivision 1. The agency shall promulgate rules as necessary to implement sections 19 to 24, including rules on administration of financial aid to local and regional units of government. The rules shall prescribe data to be secured, methods of analysis and evaluation, duration of data gathering and other technical specifications necessary for the efficient administration of the program and efficient interdepartmental cooperation and organization.*

Subd. 2. The agency shall administer a program of financial assistance to approved applicants, using funds appropriated by the legislature or made available from other sources.

Subd. 3. The agency shall establish and maintain a repository for scientific data on the water quality of lakes and information on accepted and experimental lake restoration and protection techniques.

Subd. 4. The agency shall recommend research programs and projects on lake degradation, restoration or protection.

Sec. 21. [116.54] [LETTER OF INTENT.] *Subdivision 1. Prior to making an application for a feasibility study grant, an applicant shall submit to the agency a letter of intent which shall include the following information:*

- (a) A statement of the nature of the lake's problem;*
- (b) The amount and type of public access together with present and anticipated public use;*
- (c) The preliminary design of a feasibility study complying with agency rules;*
- (d) The existing or anticipated source of local funding; and*
- (e) Any other information which the agency by rule may require.*

The agency with the assistance of the department shall review the letter of intent and determine its adequacy with respect to the application for a feasibility study grant.

The agency shall within a period specified by rule of the agency, determine whether the applicant can proceed to application for a feasibility study grant.

Sec. 22. [116.55] [FEASIBILITY STUDIES.] *Subdivision 1. Feasibility studies undertaken by applicants pursuant to sections 19 to 24, and the rules of the agency, shall include the gathering of data on the lake, drainage basin, sources of pollution or nutrients or any other information which is necessary to determine the trophic state, the cause of degradation and recommended remedial courses of action to prevent continued degradation or to determine potential causes of degradation and preventive courses of action. The agency by rule shall prescribe the information to be secured, methods of analysis and evaluation, and duration of data gathering.*

Subd. 2. Feasibility studies shall be eligible for financial assistance, subject to the rules of the agency establishing guidelines for funding of feasibility studies.

Subd. 3. The feasibility study upon completion shall be submitted to the agency which shall analyze it on an interdisciplinary basis.

Subd. 4. The agency with the assistance of the department shall conduct a technical review of the feasibility study and in the course of review shall consider, without limitation because of enumeration, the following factors if appropriate:

(a) Whether the citizens of the state will significantly benefit from the improvements suggested or information obtained, and the degree of benefit;

(b) Whether sufficient long and short term benefits will be derived from the project, in relation to the estimated cost;

(c) Whether the project is financially viable, given the resources of the applicant and the possibility of financial and nonmonetary aid;

(d) Whether adequate steps have been or will be taken to ensure that the improved conditions resulting from the project will be sustained by sufficient controls over existing or potential sources of lake degradation including, if appropriate, control of sediments as suggested by affected soil and water conservation districts;

(e) Whether significant change will be anticipated in the current fish and wildlife management of a public lake and if the action proposed will be compatible with the department's management criteria; and

(f) Whether experimental techniques involving a high risk of failure are being proposed.

Subd. 5. The agency shall also consider the following in their final review process:

(a) Comments made by the reviewing soil and water conservation district and appropriate regional planning commission; and

(b) Any other subject which the agency by rule deems necessary for making the order required by subdivision 6.

Subd. 6. Within a period specified by rule of the agency, the agency shall by order approve, approve with modifications or disapprove the feasibility study. The agency shall concurrently rule on the applicant's request for financial aid.

Sec. 23. [116.56] [IMPLEMENTATION GRANTS; FEDERAL PROGRAMS.] *Subdivision 1. Funds appropriated to the lake restoration and protection program may be granted under this section to be used in conjunction with federal grant moneys made available to qualified recipients.*

Subd. 2. The agency shall make grant moneys available under

this section in an amount not exceeding 25 percent of the total project cost. Funding distribution shall follow the priority assigned by the agency to a given project in accordance with the rules of the agency.

Subd. 3. Any grant made by the agency pursuant to this section shall not exceed 25 percent of state grant funds available for distribution under this section in any one year.

Sec. 24. [116.57] [IMPLEMENTATION GRANTS; STATE PROGRAM.] *Subdivision 1. The feasibility study for a project shall be the basis for determining the awarding of an implementation grant to that project. No implementation project may be formally approved by the agency for initiation by the applicant until the agency has approved the project or whatever modifications it believes appropriate.*

Subd. 2. The implementation phase shall include but not be limited to the following:

(a) Preconstruction engineering work involved in the planning, design, and specifications for the project;

(b) Actual costs of implementing nonstructural measures or the construction of permanent treatment structures to restore or protect the lake; and

(c) Actual costs incurred as part of the post-operation of treatment measures and evaluation of the lake's water quality condition.

Subd. 3. Implementation measures may include but need not be limited to the following:

(a) Aeration;

(b) Nutrient control or diversion;

(c) Nutrient inactivation;

(d) Dilution or displacement; and

(e) Temporary drawdown.

Subd. 4. The agency shall by rule provide guidelines related to the adequacy of lake restoration and protection procedures, processes, and methods.

Subd. 5. No aids shall be granted under this section to an applicant whose share of the cost will be less than ten percent, except that up to 100 percent funding may be allowed on projects deemed by the agency to be high risk and experimental in nature where eventual results are highly uncertain. No grant shall exceed ten percent of the state funds available under this section in any one year.

Subd. 6. The agency shall approve, approve with modifications or disapprove each application for financial assistance within the period specified by the rules of the agency, following the receipt of

the implementation plans and specifications. It shall determine whether the data and engineering presented shows that, if applicable to the situation under review, degradation from non-point source pollution and any other sources responsible for lake degradation, are or will be substantially eliminated as a source, in order that any lake restored or protected under sections 19 to 24, may be maintained in its restored or protected state. If the agency determines that the application meets its requirements, it shall approve the application, certify to the applicant the amount of funds, if any, awarded to it, and set forth modifications, if any, that may be necessary. If the agency does not find in the affirmative and deems the application deficient, it shall deny the application in writing, clearly setting forth its reasons for doing so.

Subd. 7. Financial aid applications approved but unfunded because of a lack of funds shall remain eligible for future funding, subject to any updating which the agency by rule may require. A lack of funding under sections 19 to 24 shall not preclude applicants from proceeding with the implementation of all or part of an approved plan with funding from any other source.

Sec. 25. Minnesota Statutes 1976, Sections 378.45; 378.47; 378.53; and 378.54, are repealed.

Sec. 26. This act is effective the day following final enactment."

Further strike the title and insert:

"A bill for an act relating to public waters; transferring certain authority concerning lake improvement districts to the pollution control agency; specifying the procedure for creation of lake improvement districts; authorizing districts to undertake certain improvement projects and assess benefited property; altering the procedure for terminating districts; requiring districts to hold an annual meeting; clarifying local government authority over public waters; establishing a lake restoration and protection program; making grants-in-aid available for improving water quality in public lakes; prescribing certain powers and duties for the pollution control agency; amending Minnesota Statutes 1976, Sections 105.484; 378.41, Subdivisions 1 and 2; 378.42, Subdivisions 1, 2, and by adding a subdivision; 378.43, Subdivisions 1 and 3; 378.46; 378.51, Subdivisions 1 and 3; 378.52, Subdivision 1; 378.55; 378.56, Subdivisions 1 and 2; and 459.20; and Chapter 378, by adding a section; repealing Minnesota Statutes 1976, Sections 378.45; 378.47; 378.53; and 378.54."

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

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

H. F. No. 491: A bill for an act relating to retirement; police pensions in the city of Crookston.

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

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

H. F. No. 106: A bill for an act relating to the city of St. Cloud; firemen's widows benefits; amending Laws 1974, Chapter 382, Section 5, Subdivision 2.

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

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

H. F. No. 536: A bill for an act relating to civil service; providing that promotion and place of service are separate considerations; amending Minnesota Statutes 1976, Section 43.19, by adding a subdivision.

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

Page 1, strike lines 10 to 13 and insert:

"Subd. 5. [PROMOTIONS; WORK STATION LOCATION.] No employee of any agency in the executive branch shall be deemed ineligible for promotion to a position solely because of the location of the employee's current work station or the location of the work station to which the employee would be assigned if promoted to that position."

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

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

H. F. No. 315: A bill for an act relating to state government; state zoological board; providing for a member designated by the Dakota county board; amending Minnesota Statutes 1976, Section 85A.01, Subdivision 1.

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

Page 1, line 17, strike "*person designated*" and insert "*resident of Dakota county appointed*"

Page 1, line 18, strike "*ex-officio*" and insert "*additional voting*"

Page 1, line 18, strike "*but*" and insert a period

Page 1, strike line 19 and insert "*The Dakota county member shall be compensated as provided for other members and shall serve at the pleasure of the Dakota county board.*"

Sec. 2. This act is effective the day after final enactment."

Further, amend the title as follows:

Page 1, line 2, strike "state government;" and insert "the"

Page 1, line 3, strike "a member designated" and insert "an additional voting member appointed"

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

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

H. F. No. 902: A bill for an act relating to state finance; authorizing payments pursuant to grievance resolutions; amending Minnesota Statutes 1976, Section 16A.17, Subdivision 7.

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

Page 1, line 13, strike "such"

Page 1, line 16, strike "and regulations"

Page 2, after line 13, insert:

"Sec. 2. This act is effective the day following final enactment."

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

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

S. F. No. 820: A bill for an act relating to public land surveys; creating a state land surveys board and providing for the employment of a state land surveyor; prescribing the powers and duties of the board and the state land surveyor; authorizing the board to contract with the several counties for the preservation and re-monumentation of the United States public land survey; providing for the financing thereof; authorizing the several counties to levy an ad valorem tax to pay their share of the cost; prescribing penalties; and appropriating money; amending Minnesota Statutes 1976, Section 287.21.

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

Strike everything after the enacting clause and insert:

"Section 1. [LEGISLATIVE FINDINGS.] The legislature finds that it is in the public interest that the public records and the monuments established by the United States public land survey be perpetuated and preserved, and that in those instances where the monuments have been destroyed, obliterated, or obscured to an extent that they are difficult to locate, that they be reestablished with permanent monuments and their positions perpetuated. The legislature further finds that the preservation of the records and monuments and re-monumentation when necessary is of state-wide significance.

Sec. 2. [DEFINITIONS.] Subdivision 1. Unless the language or context clearly indicates that a different meaning is intended, as

used in sections 1 to 7, the terms defined in this section have the meanings given them.

Subd. 2. "Land surveyor" means any person licensed to practice the art and science of land surveying pursuant to the provisions of Minnesota Statutes, Sections 326.02 to 326.15.

Sec. 3. [RESPONSIBILITIES AND DUTIES OF THE COUNTY BOARD.] Subdivision 1. [DUTIES GENERALLY.] The county board of each county shall coordinate, administer and supervise the preservation and perpetuation of the monuments and records of the United States public land survey within the county, and where necessary, reestablish the public land survey corners by remonumentation.

Subd. 2. [CONTRACTS.] The county board may enter into all necessary contracts for the purpose of carrying out the provisions of sections 1 to 7.

Sec. 4. [DUTIES OF COUNTY SURVEYOR IN REMONUMENTATION PROGRAM.] Under the direction of the county board, the county surveyor, or a land surveyor designated by the county board, shall coordinate, supervise, and administer the following functions, duties, and responsibilities:

(1) Resurrect, monument and perpetuate the land survey monuments, section corners, quarter section corners, meander corners, and witness corners, or other corners established by the United States public land survey within Minnesota, and preserve all pertinent field notes, plats and documents;

(2) Cause a standard monument, as determined by the Minnesota state board of architecture, engineering, land surveying and landscape architecture, to be placed at established public land survey corner sites where practical permanently indicating Minnesota public land survey corners. If such monuments cannot be placed at the exact corner point, then witness corners of similar design shall be placed as close as possible to the true corner;

(3) Establish and maintain a safe storage for a comprehensive system of recordation of information, respecting all monuments established by the United States public land survey within this county, and such records as may be pertinent to the establishment or maintenance of land corners, Minnesota coordinate system stations and accessories and monuments in general;

(4) Establish and record a state plane coordinate position for each monument of the public land survey when the extended geodetic network base data is available;

(5) Provide for township maps where sufficient monuments have been established and tied into the state plane coordinate system and record the coordinate data on the township map along with bearings and distances, and assist in the proper recording of the same by duly constituted public officials;

(6) Provide for section mapping for the county showing the monuments established and the bearings and distances, and the

state plane coordinate position determined and recorded. These maps shall become a part of the public record and shall be duly recorded by the proper county officials. Property lines of record may be shown on these maps. Geodetic control and monument positions may be shown when available;

(7) Collect and preserve information obtained from surveys to establish land monuments or land boundaries. This information shall become a part of the public record and shall be duly recorded by the proper county officials;

(8) Furnish upon reasonable request and tender of the required fees therefor, certified copies of records created or maintained by the county. Fees to be charged for certified copies shall be fixed by the county, but shall not exceed the fee authorized in Minnesota Statutes, Section 357.18, for comparable records. All fees collected shall be paid into the county treasury; and

(9) Prescribe regulations designed to establish uniform professional surveying and mapping methods and standards, in the county, for the purposes of sections 1 to 5.

Sec. 5. [ENTER UPON PRIVATE PROPERTY DAMAGES.] Any county surveyor and any land surveyor designated by a county pursuant to a contract with the county board, may lawfully enter upon private property for the purpose of making surveys, or for searching for or relocating or remonumenting land monuments, stations or section corners, provided the owner or occupant of the property is notified in advance of the intended entry. Reasonable care shall be taken to prevent unnecessary damage to the property should any of these persons necessarily damage the property of the owner in making surveys, searches, or remonumentations. The county board may make reasonable payment for the damage. Members of the board and its employees and contractors of the board are personally liable for any damage caused by their wantonness, willfulness, or negligence.

Sec. 6. [CERTAIN RECORDS TO BE FURNISHED UPON WRITTEN REQUEST OF THE COUNTY SURVEYOR.] All state departments and agencies, county recorders and other officials of county and city governments, including district court judges, shall furnish the county surveyor certified copies of deeds, mortgages and other documents and instruments pertaining to land descriptions which are in their custody. Whenever practicable, the copy shall be furnished without cost; but, in no event shall the cost exceed the actual cost of reproduction. On the same basis of cost, the county surveyor upon request therefor, shall furnish certified copies of records in his custody to state departments and agencies and county and city officers.

Sec. 7. [CONTRACTS.] The county board may enter into contracts for the performance of any of the functions, responsibilities and duties enumerated in section 4, provided the land surveyor in responsible control of the monumentation program is licensed as a land surveyor by the state board of architecture, engineering, land surveying and landscape architecture.

Sec. 8. [COUNTY LAND SURVEY ACCOUNT; CREATION; EXPENDITURES.] *Subdivision 1. A separate account is created in each county treasury to be known as the county land survey account. The account shall consist of all of the taxes imposed, collected and paid into the county treasury under the provisions of Minnesota Statutes, Sections 287.21 to 287.36.*

Subd. 2. Except as provided in subdivision 3, all of the money in the county land survey account shall be expended by the county solely for the purposes of sections 1 to 7 and for refunds of taxes erroneously or unjustly paid as provided in Minnesota Statutes, Section 287.28. Any county may make expenditures from its general fund, or from federal revenue sharing funds designated for that purpose, in carrying out the purposes of sections 1 to 7.

Subd. 3. Upon certification to the county board by the county surveyor or the land surveyor in responsible control of the monumentation program that the program has been completed within the county in accordance with the provisions of sections 1 to 7, the county board, if it so finds, may by resolution transfer any money remaining in the county land survey account to the general fund of the county. Upon the transfer, the county land survey account shall cease to exist. Any money so transferred, together with money thereafter paid into the county treasury pursuant to Minnesota Statutes, Sections 287.21 to 287.36, may be used for any county purpose.

Sec. 9. Minnesota Statutes 1976, Section 287.21, Subdivision 2, is amended to read:

Subd. 2. The proceeds of the taxes levied and collected under sections 287.21 to 287.36 shall be credited to the general fund deposited in the county treasury of the county where the taxes are collected.

Sec. 10. Minnesota Statutes 1976, Section 287.25, is amended to read:

287.25 [PAYMENT OF TAX; STAMPS.] The tax imposed by section 287.21 shall be paid by the affixing of a documentary stamp or stamps in the amount of the tax to the document or instrument with respect to which the tax is paid, provided that the commissioner of revenue may, in exceptional cases, permit the payment of the tax without the affixing of the documentary stamps and in such cases shall, upon receipt of the tax, endorse his receipt for such tax upon the face of the document or instrument. In such case the commissioner of revenue shall deposit the amount received in payment of the tax with the state treasurer to the credit of the general fund transfer the tax received to the county treasury where the land is located. A sum sufficient for transfers pursuant to this section is annually appropriated from the general fund to the commissioner of revenue.

Sec. 11. Minnesota Statutes 1976, Section 287.28, is amended to read:

287.28 [REFUNDMENTS OR REDEMPTION.] The commissioner of revenue may order the refundment in whole or in part of any tax which has been erroneously or unjustly paid and may allow for or redeem such of the stamps, issued under the authority of sections 287.21 to 287.36 as may have been spoiled, destroyed, or rendered useless or unfit for the purpose intended or for which the owner may have no use or which through mistake may have been improperly or unnecessarily used. Such order shall be made only upon written application of the taxpayer and shall, if the refundment exceeds \$500, be valid only if approved by the attorney general. Refunds therefor shall be paid out of the general fund of the state and moneys therefor are hereby annually appropriated from the general fund for such purpose county treasury where the land is located.

Sec. 12. Minnesota Statutes 1976, Section 287.32, is amended to read:

287.32 [COMMISSIONER OF REVENUE; DUTIES.] When any deed, instrument, or writing has been recorded or registered without the payment of the tax due thereon the tax, together with any penalty imposed under section 287.31, shall be assessed by the commissioner of revenue and collected in the manner provided for the collection of taxes due under the provisions of chapter 290. *The commissioner shall transfer the tax collected to the county treasury where the land is located. A sum sufficient for transfers pursuant to this section is annually appropriated from the general fund to the commissioner of revenue.* The commissioner of revenue shall enforce the provisions of sections 287.21 to 287.34 and shall have all of the powers prescribed in chapters 270 and 290. He may prescribe rules and regulations not inconsistent with sections 287.21 to 287.34 for their detailed and efficient administration and may call upon any county attorney or the attorney general for assistance and may employ such additional employees as may be required in the administration of sections 287.21 to 287.34.

Sec. 13. [EFFECTIVE DATE.] *This act is effective January 1, 1978.*

Further, strike the title and insert:

"A bill for an act relating to the public land surveys; authorizing the counties to contract for the preservation and remonumentation of the United States public land survey; providing for the financing thereof; amending Minnesota Statutes 1976, Sections 287.21, Subdivision 2; 287.25; 287.28; and 287.32."

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

H. F. No. 1223: A bill for an act relating to administrative procedures; providing for notice and hearing in various administra-

tive decisions; amending Minnesota Statutes 1976, Sections 10A.20, Subdivision 10; 17A.06, Subdivisions 2 and 3; 27.06; 53.03, Subdivisions 1, 2 and 3; 144.802; 155.11, Subdivisions 1 and 2; 216A.05, Subdivision 5; 218.041, Subdivision 3; and 219.741; repealing Minnesota Statutes 1976, Section 53.03, Subdivision 3.

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

Page 2, line 4, after the period insert *"The board may elect to hold a contested case hearing if no objections to the application are received."*

Page 6, line 31, strike *"department of"*

Page 6, line 32, after *"commerce"* insert *"commission"*

Page 7, line 1, strike *"Any"* and insert *"Notice of a"*

Page 8, line 13, strike *"such"* and insert *"the"*

Page 8, lines 16 to 17, strike *"application be granted"* and insert *"commission approves the application"*

Page 8, lines 17 and 22, strike *"department of commerce"* and insert *"commission"*

Page 9, line 15, after *"municipality"* insert *"or if the service is to be provided in more than one municipality"*

Page 9, line 23, after the period insert *"The board may elect to hold a contested case hearing if no objections to the application are received."*

Page 11, line 14, after the period insert *"The board may elect to hold a contested case hearing if no objections to the application are received."*

Page 12, line 23, after *"to"* insert *"whomever he"*

Page 13, line 1, after the period insert *"The commission may elect to hold a contested case hearing if no objections to the petition are received."*

Page 13, line 1, after *"received"* insert *“, or if received and withdrawn,”*

Page 14, lines 5 and 6, strike the new language

Page 15, line 3, after the period insert *"The commissioner may elect to hold a contested case hearing if no objections to the petition or application are received."*

Page 15, after line 20, insert:

"Sec. 15. This act is effective in respect to applications, claims and petitions received by appropriate agencies on and after July 1, 1977."

Amend the title as follows:

Page 1, line 3, strike *"and hearing"*

Page 1, line 4, after the semicolon insert "removing hearing requirements in certain application proceedings when no objections to the application are received;"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1236: A bill for an act relating to veterans affairs; providing for a study of the need for a veterans facility; appropriating money.

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

Page 1, strike section 2

Amend the title as follows:

Line 3, strike the semicolon

Line 4, strike "; appropriating money"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 759: A bill for an act relating to public safety; clarifying the duties of the commissioner of public safety in regard to the state criminal justice telecommunications network; appropriating money; amending Minnesota Statutes 1976, Sections 299C.46; 299C.48; and Chapter 299C, by adding a section; repealing Minnesota Statutes 1976, Section 299C.45.

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

Page 4, strike section 4

Renumber the following sections

Amend the title as follows:

Line 5, strike "appropriating money;"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 472: A bill for an act relating to retirement; additional employer contributions to amortize the deficit in the teachers' retirement fund; amending Minnesota Statutes 1976, Section 354.42, Subdivision 5.

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

Page 1, line 15, delete "four"

Page 1, line 15, strike "and one half" and insert "three"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 448: A bill for an act relating to public safety; requiring implementation of 911 emergency telephone systems; providing for standards and waivers; appropriating money.

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

Page 2, line 30, strike "shall" and insert "may"

Page 3, line 3, strike "on a" and insert "among local units of government."

Page 3, strike line 4

Page 3, line 15, after "caller" insert ", except that where a county board has provided for the implementation of an operating 911 emergency telephone system after December 15, 1982, each public utility providing telephone service within that 911 service area shall provide for the above conversion within four years after the date of the county board action"

Page 5, line 12, after "board" insert "in the metropolitan area"

Page 7, line 8, strike "\$25,000" and insert "\$34,450"

Page 7, line 9, strike "\$25,000" and insert "\$37,583"

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

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred

S. F. No. 90 and H. F. Nos. 1180, 314, 297, 451, and 676 makes the following report:

That S. F. No. 90 and H. F. Nos. 1180, 314, 297, 451 and 676 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the subcommittee on which floor action was requested. Report adopted.

APPOINTMENTS

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

H. F. No. 1475, pursuant to the request of the House:

Messrs. McCutcheon, Johnson, Hanson, Stokowski and Peterson.

H. F. No. 324, pursuant to the request of the House:
Messrs. Schmitz, Olhoff and Dunn.

H. F. No. 921, pursuant to the request of the House:
Messrs. Purfeerst, Vega and Frederick.

S. F. No. 583, pursuant to the request of the Senate:
Messrs. Solon, Spear and Davies.

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

SECOND READING OF SENATE BILLS

S. F. Nos. 126, 899, 1214, 266, 801, 809, 793, 1236, 759, 472 and 448 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 491, 106, 536, 315, 902 and 1223 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 1:00 o'clock p.m., Thursday, May 12, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FIFTY-THIRD DAY

St. Paul, Minnesota, Thursday, May 12, 1977

The Senate met at 1:00 o'clock p.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:

Bang	Gearty	Lessard	Pillsbury	Spear
Bernhagen	Gunderson	McCutcheon	Purfeerst	Staples
Borden	Hanson	Menning	Renneke	Stokowski
Brataas	Hughes	Merriam	Schaaf	Strand
Coleman	Humphrey	Nichols	Schmitz	Tennessee
Davies	Johnson	Olhoft	Schrom	Ulland, J.
Dieterich	Keefe, S.	Olson	Setzepfandt	Vega
Engler	Knoll	Penny	Sieloff	Wegener
Frederick	Laufenburger	Peterson	Sillers	Willet

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

Prayer was offered by the Chaplain, Senator Marion Menning.

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

Anderson	Frederick	Laufenburger	Olson	Sillers
Ashbach	Gearty	Lessard	Penny	Solon
Bang	Gunderson	Lewis	Perpich	Spear
Benedict	Hanson	Luther	Peterson	Staples
Bernhagen	Hughes	McCutcheon	Pillsbury	Stokowski
Borden	Humphrey	Menning	Purfeerst	Strand
Brataas	Jensen	Merriam	Renneke	Stumpf
Chmielewski	Johnson	Milton	Schaaf	Tennessee
Coleman	Keefe, S.	Moe	Schmitz	Ueland, A.
Davies	Kirchner	Nelson	Schrom	Ulland, J.
Dieterich	Kleinbaum	Nichols	Setzepfandt	Vega
Dunn	Knoll	Ogdahl	Sieloff	Wegener
Engler	Knutson	Olhoft	Sikorski	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. Chenoweth and Keefe, J. were excused from the Session of today. Mr. Benedict was excused from the Session of today

until 2:00 o'clock p.m. Mr. Tennesen was excused from the Session of today from 1:50 o'clock p.m. until 4:00 o'clock p.m. Mr. Perpich was excused from the Session of today from 4:00 o'clock p.m. until 7:00 o'clock p.m.

Pursuant to Rule 21, Mr. Moe moved that the following members be excused for a Conference Committee on S. F. No. 1416:

Messrs. Kirchner, Lewis, Milton, Perpich and Moe. The motion prevailed.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 11, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 617, 713, 836, and 1415.

Sincerely,
Rudy Perpich, Governor

May 12, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 1208 and 1034.

Sincerely,
Rudy Perpich, Governor

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Nelson introduced—

S. F. No. 1523: A bill for an act relating to public safety; requiring drivers training for all newly licensed drivers; amending Minnesota Statutes 1976, Section 171.04.

Referred to the Committee on General Legislation and Veterans Affairs.

Messrs. Knoll, Coleman, Mrs. Brataas, Messrs. Peterson and Lewis introduced—

S. F. No. 1524: A bill for an act relating to children; maltreatment; providing for referral of persons allegedly abusing or neglecting children to chemical dependency programs; appropriating money; amending Minnesota Statutes 1976, Section 626.556, Subdivision 10.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Knoll, Coleman, Mrs. Brataas, Messrs. Peterson and Lewis introduced—

S. F. No. 1525: A bill for an act relating to children; maltreatment; providing for referral of persons allegedly abusing or neglecting children to chemical dependency programs; providing for transfer of custody in certain cases; appropriating money; amending Minnesota Statutes 1976, Section 626.556, Subdivision 10.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Peterson, Nichols, Vega, Setzepfandt and Lessard introduced—

S. F. No. 1526: A bill for an act proposing an amendment to the Minnesota Constitution, Article IV, Section 6; limiting legislative service from the same territory to ten years.

Referred to the Committee on Rules and Administration.

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. 218, 628, 722, 1196, 23, 254, 587, 719, 720, 442, 466, 774, 1298, 143, 296, 581, 964, 1051, 147, 388, 557 and 1127.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1977

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. 380: A bill for an act relating to courts; lapse of causes of action arising outside the state; amending Minnesota Statutes 1976, Section 541.14.

Senate File No. 380 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 11, 1977

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 380 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 380: A bill for an act relating to courts; lapse of causes of action arising outside the state; repealing Minnesota Statutes 1976, Section 541.14.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 47 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Hanson	Menning	Renneke	Stokowski
Bernhagen	Hughes	Merriam	Schaaf	Strand
Brataas	Humphrey	Nelson	Schmitz	Stumpf
Davies	Johnson	Nichols	Schrom	Tennesen
Dieterich	Keefe, S.	Olhoft	Setzepfandt	Ulland, J.
Dunn	Knoll	Olson	Sieloff	Vega
Engler	Laufenburger	Penny	Sikorski	Willet
Frederick	Lessard	Peterson	Sillers	
Gearty	Luther	Pillsbury	Spear	
Gunderson	McCutcheon	Purfeerst	Staples	

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. 556: A bill for an act relating to the city of Minneapolis and Hennepin county municipal building commission; providing for tenure and benefits to certain employees; amending Laws 1903, Chapter 247, Section 2, as amended.

Senate File No. 556 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 11, 1977

CONCURRENCE AND REPASSAGE

Mr. Stokowski moved that the Senate concur in the amendments by the House to S. F. No. 556 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 556 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Gearty	Luther	Pillsbury	Spear
Bernhagen	Gunderson	McCutcheon	Purfeerst	Staples
Brataas	Hughes	Menning	Renneke	Stokowski
Chmielewski	Humphrey	Merriam	Schaaf	Strand
Coleman	Johnson	Nelson	Schmitz	Stumpf
Davies	Keefe, S.	Nichols	Schrom	Tennessee
Dieterich	Kleinbaum	Olhoft	Setzepfandt	Ulland, J.
Dunn	Knoll	Olson	Sieloff	Vega
Engler	Laufenburger	Penny	Sikorski	Willett
Frederick	Lessard	Peterson	Sillers	

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. 191: 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 1976, Sections 144.151, by adding subdivisions; 144.175, Subdivision 2; 260.241, by adding a subdivision; and Chapter 144, by adding a section.

Senate File No. 191 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1977

CONCURRENCE AND REPASSAGE

Mr. Spear moved that the Senate concur in the amendments by the House to S. F. No. 191 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 191 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 47 and nays 6, as follows:

Those who voted in the affirmative were:

Bang	Hanson	Luther	Renneke	Strand
Bernhagen	Hughes	McCutcheon	Schaaf	Stumpf
Coleman	Humphrey	Menning	Schmitz	Tennessee
Davies	Johnson	Nelson	Setzepfandt	Ulland, J.
Dieterich	Keefe, S.	Nichols	Sieloff	Vega
Dunn	Kleinbaum	Olhoft	Sikorski	Wegener
Engler	Knoll	Olson	Solon	Willet
Frederick	Knutson	Penny	Spear	
Gearty	Laufenburger	Peterson	Staples	
Gunderson	Lessard	Purfeerst	Stokowski	

Those who voted in the negative were:

Ashbach	Merriam	Pillsbury	Schrom	Sillers
Brataas				

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. 767: A bill for an act relating to mortgages; authorizing appointment of a receiver upon foreclosure and upon a showing that a mortgagor has breached certain covenants in the mortgage; amending Minnesota Statutes 1976, Sections 559.17; and 576.01.

Senate File No. 767 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1977

CONCURRENCE AND REPASSAGE

Mr. Spear moved that the Senate concur in the amendments by the House to S. F. No. 767 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 767 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Luther	Pillsbury	Stokowski
Bang	Hanson	McCutcheon	Purfeerst	Strand
Brataas	Hughes	Menning	Renneke	Stumpf
Chmielewski	Humphrey	Merriam	Schmitz	Tennessee
Coleman	Johnson	Nelson	Setzepfandt	Ulland, J.
Davies	Keefe, S.	Nichols	Sieloff	Vega
Dieterich	Kleinbaum	Ogdahl	Sikorski	Wegener
Dunn	Knoll	Olhoft	Sillers	Willet
Engler	Knutson	Olson	Solon	
Frederick	Laufenburger	Penny	Spear	
Gearty	Lessard	Peterson	Staples	

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. 649: A bill for an act relating to taxation; permitting certain appeals of assessments to the commissioner of revenue; providing for appointment of local assessors or termination of their offices; refining terms of senior citizens property tax freeze; eliminating assessors' bonds; eliminating certification of local treasurers' bonds; providing for appeal of property classification; defining certain powers of boards of equalization; clarifying redemption period for tax-forfeited lands; amending Minnesota Statutes 1976, Sections 270.11, Subdivision 7; 270.50; 273.011, Subdivision 4; 273.012, Subdivision 2; 273.04; 273.05, Subdivisions 1 and 2; 273.06; 273.061, Subdivision 3; 274.01, Subdivision 1; 274.13, Subdivision 1; 276.12; and 281.17; and Chapter 270, by adding a section.

Senate File No. 649 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1977

Mr. Chmielewski moved that the Senate do not concur in the amendments by the House to S. F. No. 649 and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 683: A bill for an act relating to the establishment of parks, playgrounds and scenic areas by the county of Anoka; amending Laws 1961, Chapter 209, Sections 1 and 2.

Senate File No. 683 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1977

CONCURRENCE AND REPASSAGE

Mr. Merriam moved that the Senate concur in the amendments by the House to S. F. No. 683 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 683 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 42 and nays 10, as follows:

Those who voted in the affirmative were:

Bang	Jensen	Merriam	Renneke	Strand
Coleman	Johnson	Nelson	Schaaf	Stumpf
Davies	Keefe, S.	Nichols	Schmitz	Tennessee
Dieterich	Kirchner	Olhoff	Sikorski	Ulland, J.
Dunn	Laufenburger	Olson	Sillers	Vega
Gearty	Lessard	Penny	Solon	Willet
Hanson	Luther	Peterson	Spear	
Hughes	McCutcheon	Pillsbury	Staples	
Humphrey	Menning	Purfeerst	Stokowski	

Those who voted in the negative were:

Ashbach	Brataas	Frederick	Knutson	Setzepfandt
Bernhagen	Chmielewski	Gunderson	Schrom	Sieloff

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. 860: A bill for an act relating to courts; county court districts; judges; prescribing the areas where the county court judges of St. Louis county shall reside, serve in, and be elected

from; amending Minnesota Statutes 1976, Section 487.01, Subdivision 5.

Senate File No. 860 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1977

CONCURRENCE AND REPASSAGE

Mr. Ulland, J. moved that the Senate concur in the amendments by the House to S. F. No. 860 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 860: A bill for an act relating to courts; county court districts; judges; prescribing the places of residence, election, service and the numbers of certain county judges; amending Minnesota Statutes 1976, Section 487.01, Subdivision 5.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Laufenburger	Penny	Sillers
Bang	Gunderson	Lessard	Peterson	Solon
Bernhagen	Hanson	Luther	Pillsbury	Spear
Brataas	Hughes	McCutcheon	Purfeerst	Staples
Chmielewski	Humphrey	Menning	Renneke	Stokowski
Coleman	Jensen	Merriam	Schaaf	Strand
Davies	Johnson	Nelson	Schmitz	Stumpf
Dieterich	Keefe, S.	Nichols	Schrom	Ueland, A.
Dunn	Kirchner	Ogdahl	Setzepfandt	Ulland, J.
Engler	Kleinbaum	Olhoff	Sieloff	Vega
Frederick	Knutson	Olson	Sikorski	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. 586: A bill for an act relating to insurance; legal expense insurance; authorizing the use of closed panel insurance plans; amending Minnesota Statutes 1976, Section 60A.08, Subdivision 10.

Senate File No. 586 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1977

CONCURRENCE AND REPASSAGE

Mr. Dieterich moved that the Senate concur in the amendments by the House to S. F. No. 586 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 586: A bill for an act relating to insurance; legal expense insurance; authorizing the use of closed panel insurance plan; setting requirements for the admission of foreign companies; amending Minnesota Statutes 1976, Sections 60A.08, Subdivision 10; and 60A.19, Subdivision 1.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Luther	Purfeerst	Stokowski
Bang	Hanson	McCutcheon	Schaaf	Strand
Bernhager	Hughes	Menning	Schmitz	Stumpf
Brataas	Jensen	Merriam	Schrom	Tennessee
Chmielewski	Johnson	Nelson	Setzepfandt	Ueland, A.
Davies	Keefe, S.	Nichols	Sieloff	Ulland, J.
Dieterich	Kleinbaum	Olhoft	Sikorski	Vega
Dunn	Knoll	Olson	Sillers	Willet
Engler	Knutson	Penny	Solon	
Frederick	Laufenburger	Peterson	Spear	
Gearty	Lessard	Pillsbury	Staples	

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. 1291: A bill for an act relating to venue for cases involving maltreatment of minors; amending Minnesota Statutes 1976, Chapter 627, by adding a section.

Senate File No. 1291 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1977

CONCURRENCE AND REPASSAGE

Mrs. Staples moved that the Senate concur in the amendments by the House to S. F. No. 1291 and the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1291: A bill for an act relating to children; establishing additional venue for cases involving maltreatment of minors; providing for the reporting of maltreatment of minors, amending Minnesota Statutes 1976, Section 626.556, Subdivisions 2 and 11; and Chapter 627, by adding a section.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 51 and nays 3, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Luther	Purfeerst	Stokowski
Bang	Hanson	Menning	Renneke	Strand
Bernhagen	Hughes	Merriam	Schaaf	Stumpf
Chmielewski	Humphrey	Nelson	Schmitz	Ueland, A.
Coleman	Jensen	Nichols	Setzepfandt	Ulland, J.
Davies	Johnson	Olhoff	Sieloff	Vega
Dieterich	Kirchner	Olson	Sikorski	Willet
Dunn	Kleinbaum	Penny	Sillers	
Engler	Laufenburger	Perpich	Solon	
Frederick	Lessard	Peterson	Spear	
Gearty	Lewis	Pillsbury	Staples	

Messrs. Knutson, McCutcheon and Schrom 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. 971: A bill for an act relating to probate; registrars; specifying certain powers of registrars; amending Minnesota Statutes 1976, Section 524.1-307.

Senate File No. 971 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1977

Mr. Davies moved that the Senate do not concur in the amendments by the House to S. F. No. 971 and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 1349: A bill for an act relating to the organization and operation of state government; regulating organization and procedures of various state departments and agencies; providing for the source of per diem and expense payments; providing for appointment and compensation of the employees suggestion board; removing the minimum teachers' license fee; permitting the board of teaching to adopt rules; regulating state arts board grants and publicity; providing the status of part time executive secretaries; permitting joint rule making proceedings; changing the name and composition of the state board of human rights; making miscellaneous inconsequential clarifications and corrections; amending Minnesota Statutes 1976, Sections 15.01; 15.059, Subdivision 6; 16.71, Subdivisions 1 and 1a; 121.02, Subdivision 1; 125.08; 125-185, by adding a subdivision; 139.10, Subdivision 1, and by adding subdivisions; 144A.19, Subdivision 2; 144A.21, Subdivision 1; 144A.251; 214.04, Subdivision 3, and by adding a subdivision; 214.06, Subdivision 1; 238.04, Subdivision 2; 363.04, Subdivisions 4, 4a and 5; Chapter 15, by adding a section; and Laws 1976, Chapter 222, Section 207, Subdivision 2; repealing Minnesota Statutes 1976, Sections 144A.21, Subdivisions 3 and 4; 144A.25; and 214.05.

Senate File No. 1349 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1977

Mr. Schaaf moved that the Senate do not concur in the amendments by the House to S. F. No. 1349 and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 896: A bill for an act relating to the establishment of a power plant site and transmission line route selection authority in the environmental quality board; eliminating the corridor designation process; clarifying certain procedures; authorizing certain options concerning the amount of land to be condemned and annual payments for owners of land condemned for routes or sites; requiring the board and the office of hearing examiners to adopt emergency and permanent rules; authorizing the board to revoke or suspend permits; specifying amounts for route application fees; providing for a property tax credit for land crossed

by high voltage transmission lines; providing penalties; amending Minnesota Statutes 1976, Sections 116C.52, Subdivisions 3 and 7, and by adding subdivisions; 116C.53; 116C.54; 116C.55, Subdivisions 2 and 3; 116C.57; 116C.58; 116C.59, Subdivision 1, and by adding subdivisions; 116C.61, Subdivisions 2 and 3; 116C.62; 116C.63; 116C.64; 116C.65; 116C.66; 116C.67; 116C.68; 116C.69; 273.42; 276.04; and Chapters 116C, by adding a section; and 273, by adding a section; repealing Minnesota Statutes 1976, Sections 116C.55, Subdivision 1; and 116C.56.

Senate File No. 896 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 11, 1977

Mr. Merriam moved that the Senate do not concur in the amendments by the House to S. F. No. 896 and that a Conference Committee of 5 members be appointed by the Subcommittee 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. 381: A bill for an act relating to game and fish; changing the commissioner's duties in the removal of beaver; authorizing seasons for taking bobcat, fisher, fox, and wild turkey; requiring the commissioner to issue sportsman's licenses; extending the season and eliminating the annual limit for taking beaver; changing the hours for taking trout; extending the surcharge on small game licenses; amending Minnesota Statutes 1976, Sections 97.56; 98.46, Subdivisions 2, 2a, and 14; 100.26, Subdivision 1; 100.27, Subdivisions 1, 3, 4, 5 and 7; 100.28, Subdivision 1; 101.42, Subdivision 8; and Laws 1961, Chapter 66, Section 1, as amended; repealing Minnesota Statutes 1976, Section 348.071.

Senate File No. 381 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 11, 1977

Mr. Peterson moved that the Senate do not concur in the amendments by the House to S. F. No. 381 and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 825: A bill for an act relating to eminent domain; court appointed commissioners; disqualifying certain attorneys from acting as a commissioner; amending Minnesota Statutes 1976, Section 117.075.

Senate File No. 825 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 11, 1977

Mr. Keefe, S. moved that S. F. No. 825 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. 96: A bill for an act relating to insurance; providing that individual persons may cancel certain policies of insurance within ten days after receipt; setting out notice requirements.

Senate File No. 96 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 11, 1977

CONCURRENCE AND REPASSAGE

Mr. Luther moved that the Senate concur in the amendments by the House to S. F. No. 96 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 96 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hanson	Luther	Peterson	Sillers
Bang	Hughes	McCutcheon	Pillsbury	Spear
Bernhagen	Humphrey	Menning	Purfeerst	Staples
Coleman	Johnson	Merriam	Renneke	Stokowski
Davies	Keefe, S.	Moe	Schaaf	Strand
Dieterich	Kleinbaum	Nichols	Schmitz	Stumpf
Dunn	Knoll	Olhoft	Schrom	Ueland, A.
Engler	Knutson	Olson	Setzepfandt	Ulland, J.
Gearty	Laufenburger	Penny	Sieloff	Vega
Gunderson	Lessard	Perpich	Sikorski	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 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. 49: A bill for an act relating to business or agricultural loans; rate of interest therein; amending Minnesota Statutes 1976, Section 334.011, Subdivisions 1 and 4.

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

Suss; Anderson, G. and Nelsen, B.

Senate File No. 49 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 11, 1977

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. 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 be appointed by and shall serve at the pleasure of the appointing authority; providing for the succession of commissioners; limiting the ability of former commissioners and former deputy commissioners to appear before their former agencies; defining position and duties of deputy department heads; standardizing the format and procedures relating to executive orders and reorganization orders; prescribing uses for executive orders; limiting the scope of reorganization orders; abolishing the board of health and transferring its powers to the commissioner of health; creating a health advisory council; eliminating obsolete language; amending Minnesota Statutes 1976, Sections 15.051, Subdivisions 1 and 3; 15.06; 16.01; 16.125; 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, Subdivision 1; 129A.02, Subdivision 2; 174.02, Subdivision 1; 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; 362.09, Subdivision 1; 363.04, Subdivision 1; 462A.04, Subdivision 8; and Chapter 144, by adding a section; repealing Minnesota Statutes 1976, Sections 16.13; 121.07; 121.08; 121.10; 121.16, Subdivision 2; 144.01; 144.02; 144.03; 144.04; 175.001, Subdivision 4; and 216A.06, Subdivision 2.

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

Petraleso, Johnson and Sieben, H.

Senate File No. 109 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1977

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. 742: A bill for an act relating to the White Bear Lake conservation district; increasing membership on its governing board; providing for selection of board officers; amending Laws 1971, Chapter 355, Sections 2, Subdivision 2; and 8, Subdivision 1.

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

McCollar, Jude and Searles.

Senate File No. 742 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1977

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. 826: A bill for an act relating to seaway port authorities; personnel; contracts; authorizing port authorities to employ a certified public accountant to audit the books of the authority and authorizing the state auditor to accept such audits in lieu of his audit; amending Minnesota Statutes 1976, Section 458.18.

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

Berkelman, Jaros and Lehto.

Senate File No. 826 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 11, 1977

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. 875: A bill for an act relating to the county of Hennepin; changing duties of personnel board; providing for referral of additional eligible names to fill vacancies; amending Laws 1965, Chapter 855, Section 4, Subdivision 2.

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

Carlson, A.; Brandl and Clark.

Senate File No. 875 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 11, 1977

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 motor vehicles; registration and taxation; increasing fees for filing applications; amending Minnesota Statutes 1976, Section 168.33, Subdivisions 2 and 7.

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

Osthoff, Stanton and Kalis.

Senate File No. 932 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 11, 1977

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. 1290: A bill for an act relating to juveniles; prescribing venue for neglect cases; amending Minnesota Statutes 1976, Section 260.121, Subdivision 1.

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

Nelson, Hokanson and Forsythe.

Senate File No. 1290 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 11, 1977

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 176.

H. F. No. 176: A bill for an act relating to drivers licenses; providing that nonqualification certificates may be issued to applicants who are 14 years of age or older; amending Minnesota Statutes 1976, Section 171.07, Subdivision 3.

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

Simoneau, Berkelman and Zubay have been appointed as such committee on the part of the House.

House File No. 176 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 May 11, 1977

Mr. Stokowski moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 176, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 293.

H. F. No. 293: A bill for an act relating to waters; authorizing conveyance of the Blackduck Lake outlet dam and empowering the town of Hines in Beltrami county to acquire, maintain and operate it.

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

Anderson, I.; St. Onge and Savelkoul have been appointed as such committee on the part of the House.

House File No. 293 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 May 11, 1977

Mr. Lessard moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 293, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 1052, 1276 and 559.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 11, 1977

FIRST READING OF HOUSE BILLS

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

H. F. No. 1052: A bill for an act relating to human services; providing grants to plan and organize human services programs; requiring notification of affected state agencies; requiring certain membership on advisory councils; promulgating rules; providing for auditing of funds; giving additional powers to the state planning officer; appropriating money; amending Minnesota Statutes 1976, Sections 402.01, by adding a subdivision; 402.02, Subdivisions 1 and 2; 402.03; 402.04, Subdivision 1; 402.05; and 402.06; repealing Minnesota Statutes 1976, Sections 402.08 and 402.09.

Referred to the Committee on Finance.

H. F. No. 1276: A bill for an act relating to public welfare; providing for pilot dental health programs; providing an appropriation; amending Laws 1976, Chapter 305, Section 9; repealing Laws 1976, Chapter 305, Section 10.

Referred to the Committee on Finance.

H. F. No. 559: A bill for an act relating to education; higher education coordinating board; student financial aid; changing certain requirements for scholarships, aids and grants to students; increasing the bonding and loan making authority of the board; transferring the program of nursing student grants to the board; appropriating money; amending Minnesota Statutes 1976, Sections 136A.121; 136A.144; 136A.16, Subdivisions 3, 4, 6 and 7; 136A.17, Subdivisions 3, 4, 5, 6, 7 and 8; 136A.171; 136A.233; and Chapter 136A, by adding a section.

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. 1457 for comparison to companion Senate File, reports the following House File was found identical and recom-

mends the House File be given its Second Reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1457	1336				

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. 206 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
206	458				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 206 be amended as follows:

Page 1, line 14, delete the new language and restore the stricken language

Page 1, lines 15 and 16, delete the new language

Page 1, line 17, delete "from all sources"

Page 1, delete lines 18 to 22

Page 2, delete lines 1 to 15

Further, amend the title in line 5, by deleting ", and by adding subdivisions"

And when so amended H. F. No. 206 will be identical to S. F. No. 458 and further recommends that H. F. No. 206 be given its second reading and substituted for S. F. No. 458 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. 1098 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1098	943				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1098 be amended as follows:

Page 2, line 10, after "of" insert "*an authorized farm corporation, as defined in section 500.24, subdivision 1, clause (d), or*"

Page 4, line 11, after "parent" insert a comma

Page 4, lines 13 and 15, after "corporation" insert a comma

Page 7, lines 18 and 19, delete "*against the employer*"

And when so amended, H. F. No. 1098 will be identical to S. F. No. 943 and further recommends that H. F. No. 1098 be given its second reading and substituted for S. F. No. 943 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. Chenoweth from the Committee on Governmental Operations, to which was referred

S. F. No. 599: A bill for an act relating to the operation of state government; establishing an office of volunteer services within the office of the governor; coordinating volunteer programs throughout the state; appropriating money.

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

Page 1, line 12, after the period insert "The office shall be under the supervision and administration of an executive director to be appointed by the governor and hereinafter referred to as "director". The director shall be regarded as an employee of the governor."

Page 1, lines 17 and 19, strike "office" and insert "director"

Page 1, line 22, strike "It" and insert "The director"

Page 1, line 22, after "establishing" insert "volunteer"

Page 2, lines 1, 5, 8, 10 and 18, strike "office" and insert "director"

Page 2, line 5, after "accept" insert "and disburse"

Page 2, line 13, strike the first "to" and insert "of not more than 15 members to advise and"

Page 2, line 13, strike "the office" and insert "him and the director"

Page 2, line 14, after the period insert "Notwithstanding this numerical limitation, members currently serving on an advisory group

to the governor's office of volunteer services shall complete their prescribed terms of office; thereafter, appointments of successors shall be made so as to be consistent with the numerical limitation contained in this section."

Page 2, line 14, strike "The" and insert "Membership terms, compensation, removal and filling of vacancies of"

Page 2, lines 14 and 15, strike "not receive a per diem, but may receive expenses" and insert "be"

Page 2, line 16, after "15.059" insert "; provided, that members shall not be eligible for a per diem"

Page 2, after line 16, insert:

"Sec. 2. The office and position of executive director created pursuant to this act shall be deemed to supersede and replace the "governor's office of volunteer services" created pursuant to executive order of the governor."

Page 2, line 19, after "\$289,000" insert "for the biennium beginning July 1, 1977,"

Renumber sections in sequence

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 Governmental Operations, to which was referred

H. F. No. 1187: A bill for an act relating to retirement; membership of Hennepin soil and water conservation district employees in the public employees retirement association; amending Minnesota Statutes 1976, Chapter 353, 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 the following:

"Section 1. Minnesota Statutes 1976, Section 353.01, Subdivision 6, is amended to read:

Subd. 6. [GOVERNMENTAL SUBDIVISION.] "Governmental subdivision" means a county, city, town, school district within this state, or a department or unit of state government, the League of Minnesota Municipalities, or any public body whose revenues are derived from taxation, fees, assessments or from other sources, but does not mean any municipal housing and redevelopment authority organized under the provisions of sections 462.415 to 462.711; or any port authority organized pursuant to chapter 458; or any soil and water conservation district organized pursuant to chapter 40 unless the governing body of the district files a resolution with the executive director pursuant to section 2 of this act; or any hospital district organized or reorganized prior to July 1, 1975 pursuant to legislation enacted by the 1959 Legislature.

Sec. 2. Minnesota Statutes 1976, Chapter 353, is amended by adding a section to read:

[353.014] [MEMBERSHIP OF EMPLOYEES OF SOIL AND WATER CONSERVATION DISTRICTS.] *Any soil and water conservation district organized pursuant to chapter 40 may, upon adopting and filing a resolution with the executive director, provide pension coverage for the employees of the district under this chapter. The resolution shall be in the form and shall contain whatever information the board of trustees shall specify. The resolution, once filed with the executive director, shall be irrevocable. From and after the effective date of the resolution, the soil and water conservation district shall be a governmental subdivision within the meaning of section 353.01, subdivision 6, and all employees shall become coordinated members of the public employees retirement association, unless specifically excluded under section 353.01, subdivision 2b.*

Sec. 3. [EFFECTIVE DATE.] *This act is effective the day following final enactment.*

Further, strike the title and insert the following:

"A bill for an act relating to retirement; providing for the inclusion of certain soil and water conservation district employees as members of the public employees retirement association upon election by the district; amending Minnesota Statutes 1976, Section 353.01, Subdivision 6; and Chapter 353, by adding a section."

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 160: 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 1976, Sections 15A.083, Subdivision 4; 124.212, Subdivision 11; 271.01, Subdivisions 1 and 4a, and by adding a subdivision; 271.02; 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, Subdivision 2; 271.12; 271.13; 271.15; 271.17; 271.18; 271.20; and 490.121, Subdivision 2; and Chapter 271, by adding sections; repealing Minnesota Statutes 1976, Sections 271.001; 271.01, Subdivisions 2, and 2a; 271.11; 271.14; and 271.16.

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

Page 2, line 13, delete "*continue to*"

Page 2, line 13, after the period insert "*The initial three terms to be filled pursuant to this act will expire on the first Monday in January in the following years: 1979, 1981, and 1983.*"

Pages 25 and 26, delete all of section 30 and insert

"Sec. 30. [APPROPRIATION.] *Subdivision 1. The sums set*

forth in this section are appropriated from the general fund to the agencies indicated for increased costs of general operations and management resulting from this act, to be available for the fiscal year ending June 30 in the years indicated.

	1978	1979
Subd. 2. Tax Court	\$174,000	\$307,000

The approved complement of the tax court is increased by eight persons.

Subd. 3. Commissioner of Revenue	55,300	57,800
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The approved complement of the department of revenue is increased by three persons."

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

SECOND READING OF SENATE BILLS

S. F. No. 160 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. No. 1187 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

H. F. Nos. 1457, 206 and 1098 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Sieloff introduced—

Senate Resolution No. 21: A Senate resolution providing for the costs of coffee and tea in the retiring room.

Referred to the Committee on Rules and Administration.

Mr. Kleinbaum moved that the name of Mr. Sikorski be added as co-author to S. F. No. 897. The motion prevailed.

S. F. No. 32 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 32

A bill for an act relating to shade tree disease control; authorizing grants for municipal shade tree removal and reforestation programs; authorizing a shade tree disease control research program; appropriating money; amending Minnesota Statutes 1976,

Sections 18.023, Subdivisions 1, 1a, 2, 3a, 4, 7, 8 and 11, and adding a subdivision; 116.07, Subdivision 4; and 275.50, by adding a subdivision; repealing Minnesota Statutes 1976, Section 18.023, Subdivision 6.

May 11, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 32, 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. 32 be amended as follows:

Strike everything after the enacting clause and insert:

Section 1. Minnesota Statutes 1976, Section 18.023, Subdivision 1, is amended to read:

18.023 [SHADE TREE DISEASE CONTROL.] Subdivision 1. [DEFINITIONS.] As used in subdivisions 1 to 12 the terms defined in this subdivision shall have the meanings given them.

(a) "Metropolitan area" means the area comprising the counties of Hennepin, Ramsey, Anoka, Dakota, Washington, Scott and Carver.

(b) "Commissioner" means the commissioner of agriculture.

(c) "Municipality" means any *home rule charter or statutory city* or any town exercising municipal powers pursuant to section 368.01, or any general or special law, located in the metropolitan area ; or any special park district as organized under chapter 398 ; ; or any special purpose park *district and recreation board* organized under the city charter of a city of the first class located in the metropolitan area ; ; or any county in the metropolitan area for the purposes of county owned property or any portion of a county located outside the geographic boundaries of a city or town exercising municipal powers ; and any municipality or county located outside the metropolitan area ~~which makes request to and has consent of the commissioner to come within the provisions of this section~~ *with an approved disease control program*.

(d) "Shade tree disease" means Dutch elm disease or oak wilt disease.

(e) "Wood utilization or disposal system" means a *system facilities, equipment or systems* used for the removal and disposal of diseased shade trees which includes the collection, transportation, processing or storage of wood and which aids in the recovery of materials or energy from wood.

(f) "Subsidy program" means a *municipal program of financial assistance to private property owners for the removal of diseased elm and or oak shade trees*.

~~(g)~~ (f) "Approved disease control program" means the municipal plan as approved by the commissioner to control shade tree disease.

~~(h)~~ (g) "Disease control area" means an area approved by the commissioner within which a municipality will conduct a shade tree an approved disease control program.

(h) "Sanitation" means the identification, inspection, disruption of a common root system, girdling, trimming, removal and disposal of dead or diseased wood of elm or oak shade trees, including subsidies for trees removed pursuant to subdivision 4, on public or private property within a disease control area.

(i) "Reforestation" means the replacement of shade trees removed from public property as part of an approved disease control program. For purposes of this clause, "public property" shall include private property within five feet of the boulevard or street terrace in any city which has enacted an ordinance on or before January 1, 1977, that prohibits or requires a permit for the planting of trees in the public right of way.

Sec. 2. Minnesota Statutes 1976, Section 18.023, Subdivision 1a, is amended to read:

Subd. 1a. [METROPOLITAN SHADE TREE DISEASE CONTROL PROGRAM; PURPOSE.] The legislature finds that an epidemic of Dutch elm disease and oak wilt disease is occurring in Minnesota which threatens the natural environment. Immediate action is therefore necessary to provide funds to assist local units of government in the implementation of shade tree disease control programs by *conducting sanitation and reforestation programs*, expanding diseased wood destruction programs, increasing public awareness of shade tree disease, accelerating training of tree inspectors and research for disease prevention and subsidizing private property owners for the removal of diseased elm and oak trees.

Sec. 3. Minnesota Statutes 1976, Section 18.023, Subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER TO ADOPT RULES.] The commissioner shall adopt and ~~from time to time~~ may amend, rules and regulations relating to shade tree disease control in the metropolitan area in accordance with sections 15.0411 to 15.0422 any municipality, as defined in subdivision 1. ~~Such~~ The rules and regulations shall prescribe control measures to be used to prevent the spread of shade tree diseases and shall include the following: (a) A definition of shade tree, (b) qualifications for tree inspectors, (c) methods of identifying diseased shade trees, (d) procedures for giving reasonable notice of inspection of private real property, (e) measures for the ~~treatment~~ and removal of any shade tree which may contribute to the spread of shade tree disease, and for reforestation of disease control areas, (f) approved methods of treatment of shade trees, (g) criteria for priority designation areas in an approved disease control program, and (h) such any other matters as shall be determined to be necessary by the commis-

sioner to prevent the spread of shade tree disease and enforce the provisions of this section. In accordance with the rules and regulations adopted by the commissioner, and After reasonable notice of inspection having been given to the an owner of the real property ; diseased shade trees shall be removed or treated by the owner of the real property on which such a diseased shade trees are tree is located shall remove or treat the tree within a the period of time as may be and in the manner established by the commissioner. In the case of the expense of removing or treating diseased shade trees located on street terraces or boulevards, not more than 50 percent of such expense may be assessed to the abutting properties by the municipality which expense shall become a lien on the property. Trees which are not removed or treated shall be declared a public nuisance and removed by the municipality which may assess the total expense or any part thereof to the property which expense shall become a lien on the property. Diseased shade trees which are not removed or treated in compliance with the commissioner's rules shall be declared a public nuisance and removed or treated by approved methods by the municipality which may assess the total expense, which shall be limited to the lowest contract rates available, provided said rates include wage levels which meet Minnesota minimum wage standards, or any part thereof to the property and the expense shall become a lien on the property. A municipality may assess not more than 50 percent of the expense of treating with an approved method or removing diseased shade trees located on street terraces or boulevards to the abutting properties and the assessment shall become a lien on the property.

Sec. 4. Minnesota Statutes 1976, Section 18.023, Subdivision 3a, is amended to read:

Subd. 3a. [GRANTS TO MUNICIPALITIES.] (a) The commissioner may, in the name of the state and within the limit of appropriations provided, make grants-in-aid to a municipality with an approved shade tree disease control program for the partial funding of municipal subsidy programs for the removal of diseased shade trees by owners of residential property pursuant to subdivision 4 sanitation and reforestation programs . The commissioner may make grants-in-aid to any city of more than 80,000 population or any special purpose park district organized under the charter of a city of the first class or any non-profit corporation serving a city of the first class or any county having a disease control program approved by the commissioner home rule charter or statutory city of more than 40,000 population in the metropolitan area as defined in subdivision 1 or a combination of such cities of 40,000 combined population under a joint powers agreement pursuant to section 471.59, or a home rule charter or statutory city of more than 20,000 population outside the metropolitan area or a combination of such cities of 20,000 combined population under a joint powers agreement pursuant to section 471.59 any special purpose park and recreation board organized under a charter of a city of the first class or any non-profit corporation serving a city of the first class or any county having an approved disease control program for the acquisition or implementation of a wood utili-

zation or disposal facilities or equipment or the implementation of wood utilization or disposal systems system .

(b) The commissioner shall promulgate rules for the administration of grants authorized by this subdivision. The rules shall establish and contain as a minimum:

- (1) Procedures for grant applications;
- (2) Conditions and procedures for the administration of grants;
- (3) Criteria of eligibility for grants including, but not limited to, those specified in this subdivision; and
- (4) Such other matters as the commissioner may find necessary to the proper administration of the grant program.

(c) Grants-in-aid payments for wood utilization and disposal facilities, equipment and systems and grants for public subsidy programs made by the commissioner pursuant to this subdivision shall not exceed 50 percent of the total cost of the facility equipment or system or municipal subsidy program, or both . Grants to any municipality for sanitation shall not exceed 45 percent of sanitation costs approved by the commissioner including any amount of sanitation costs paid by special assessments, ad valorem taxes, federal grants or other funds. A municipality shall not specially assess a property owner any amount greater than the amount of the tree's sanitation cost minus the amount of the tree's sanitation cost reimbursed by the commissioner. Grants to municipalities for reforestation shall not exceed the lesser of 50 percent of the cost or \$40 multiplied by the number of trees planted pursuant to the reforestation program and shall be limited for any municipality in any year to grants for not more than the number of trees removed on public property in the sanitation program in the previous year, except during the first year of any approved disease control program; provided that a reforestation grant to any county may include up to 90 percent of the cost of the first 50 trees planted on public property in a town not described in subdivision 1 and of less than 1,000 population upon the town's application to the county. Reforestation grants to towns as described in subdivision 1 of less than 1,000 population with an approved disease control program may include up to 90 percent of the first 50 trees planted on public property. For the purpose of this subdivision, "cost" shall not include the value of a gift or dedication of trees required by a municipal ordinance but shall include documented "in kind" services or voluntary work for municipalities with a population of less than 1,000 according to the 1970 census.

(d) Based upon estimates submitted by the municipality to the commissioner, which shall state the estimated costs of sanitation and reforestation in the succeeding quarter under an approved program, the commissioner shall direct quarterly advance payments to be made by the state to the municipality commencing April 1, 1977. The commissioner shall direct adjustment of any overestimate in a succeeding quarter. A municipality may elect to receive the proceeds of its sanitation and reforestation grants on a periodic cost reimbursement basis.

~~(d)~~ (e) A municipality home rule charter or statutory city, or county outside the metropolitan area or any municipality, as defined in subdivision 1, which has received the consent of the commissioner to come within the provisions of Laws 1975, Chapter 253 may receive grants authorized by this subdivision, and may submit an application for a grant authorized by this subdivision concurrently with its request for inclusion approval of a disease control program.

Sec. 5. Minnesota Statutes 1976, Section 18.023, Subdivision 4, is amended to read:

Subd. 4. [SUBSIDIES TO PRIVATE PROPERTY OWNERS.]

~~(a)~~ A municipality may provide subsidies to nonprofit organizations, owners of private residential property owners of five acres or less and to nonprofit cemeteries, however organized, for the approved treatment or removal of diseased shade trees provided, however, ~~that the cost to the municipality for providing such subsidies shall be within the limitations set forth in sections 275.50 to 275.56.~~

~~(b)~~ Notwithstanding any law to the contrary, an owner of property on which shade trees are located may contract with a municipality to provide protection against the cost of approved treatment or removal of diseased shade trees or shade trees that will contribute to the spread of shade tree diseases. Under such contracts, the municipality shall pay for the removal or approved treatment under such terms and conditions as may be determined by the governing body of the municipality.

Sec. 6. Minnesota Statutes 1976, Section 18.023, Subdivision 7, is amended to read:

Subd. 7. [FINANCING.] (a) A municipality may collect the amount assessed against the property under subdivision 2 as a special assessment and may issue obligations as provided in section 429.101, subdivision 1, provided that a municipality as at its option make any assessment levied payable with interest in installments not to exceed five years from the date of the assessment.

(b) After a contract for the removal or sanitation or approved treatment of trees on private property has been let, or the work commenced, the municipality may issue obligations to defray the expense of any such work financed by special assessments imposed upon private property. Section 429.091 shall apply to such obligations with the following modifications:

(1) Such obligations shall be payable not more than five years from the date of issuance; and

(2) No election shall be required.

Obligations issued under the provisions of this clause shall not be considered bonded indebtedness for the purposes of section 273.13, subdivisions 6 and 7. The certificates shall not be included in the net debt of the issuing municipality.

Sec. 7. Minnesota Statutes 1976, Section 18.023, Subdivision 8, is amended to read:

Subd. 8. [DEPOSIT OF PROCEEDS IN SEPARATE FUND.] The proceeds of any tax levied, assessments and interest collected, or any bonds or certificates of indebtedness issued under subdivisions 6 and subdivision 7 and section 11 of this act, and any grants received under subdivision 3a, shall be deposited in the municipal treasury in a separate fund and expended only for the purposes authorized by this section.

Sec. 8. Minnesota Statutes 1976, Section 18.023, is amended by adding a subdivision to read:

Subd. 10a. The commissioner may establish experimental programs for sanitation or treatment of shade tree diseases. The commissioner may make grants to municipalities, or enter into contracts with municipal, state or federal agencies in connection with experimental shade tree programs including research to assist municipalities in establishing priority designation areas in an approved disease control program.

Sec. 9. Minnesota Statutes 1976, Section 18.023, Subdivision 11, is amended to read:

Subd. 11. [REPORT TO THE LEGISLATURE.] On or before January 31 of each succeeding year, the commissioner shall report to the legislature on the preceding year's plans and approved disease control programs which have been implemented for shade tree diseases in the metropolitan area and any experimental programs conducted pursuant to subdivision 10a.

Sec. 10. Minnesota Statutes 1976, Section 116.07, Subdivision 4, is amended to read:

Subd. 4. [REGULATIONS AND STANDARDS.] Pursuant and subject to the provisions of chapter 15, and the provisions hereof, the pollution control agency may adopt, amend and rescind regulations and standards having the force of law relating to any purpose within the provisions of Laws 1969, Chapter 1046, for the prevention, abatement, or control of air pollution. Any such regulation or standard may be of general application throughout the state, or may be limited as to times, places, circumstances, or conditions in order to make due allowance for variations therein. Without limitation, regulations or standards may relate to sources or emissions of air contamination or air pollution, to the quality or composition of such emissions, or to the quality of or composition of the ambient air or outdoor atmosphere or to any other matter relevant to the prevention, abatement, or control of air pollution.

Pursuant and subject to the provisions of chapter 15, and the provisions hereof, the pollution control agency may adopt, amend, and rescind regulations and standards having the force of law relating to any purpose within the provisions of Laws 1969, Chapter 1046, for the collection, transportation, storage, and disposal of solid waste and the prevention, abatement, or control of water, air, and land pollution which may be related thereto, and the deposit in or on land of any other material that may tend to cause pollution. Any such regulation or standard may be of general appli-

cation throughout the state or may be limited as to times, places, circumstances, or conditions in order to make due allowance for variations therein. Without limitation, regulations or standards may relate to collection, transportation, disposal, equipment, location, procedures, methods, systems or techniques or to any other matter relevant to the prevention, abatement or control of water, air, and land pollution which may be advised through the control of collection, transportation, and disposal of solid waste, and the deposit in or on land of any other material that may tend to cause pollution.

Pursuant and subject to the provisions of chapter 15, and the provisions hereof, the pollution control agency may adopt, amend and rescind regulations and standards having the force of law relating to any purpose within the provisions of Laws 1971, Chapter 727, for the prevention, abatement, or control of noise pollution. Any such regulation or standard may be of general application throughout the state, or may be limited as to times, places, circumstances or conditions in order to make due allowances for variations therein. Without limitation, regulations or standards may relate to sources or emissions of noise or noise pollution, to the quality or composition of noises in the natural environment, or to any other matter relevant to the prevention, abatement, or control of noise pollution.

As to any matters subject to this chapter, local units of government may set emission regulations with respect to stationary sources which are more stringent than those set by the pollution control agency.

Pursuant to chapter 15, the pollution control agency may adopt, amend, and rescind regulations and standards having the force of law relating to any purpose within the provisions of this chapter for the identification, labeling, classification, storage, collection, treatment, and disposal of hazardous waste and location of hazardous waste disposal facilities. A regulation or standard may be of general application throughout the state or may be limited as to time, places, circumstances, or conditions. The public service commission, in cooperation with the pollution control agency, shall set standards for the transportation of hazardous waste in accordance with chapter 221.

The pollution control agency shall give highest priority in the consideration of permits to authorize disposal of diseased shade trees by open burning at designated sites to evidence concerning economic costs of transportation and disposal of diseased shade trees by alternative methods.

Sec. 11. Minnesota Statutes 1976, Section 275.50, is amended by adding a subdivision to read:

Subd. 6. The cost to a governmental unit of implementing section 18.023, including sanitation and reforestation, as defined in section 18.023, subdivision 1, is a "special levy" and is not subject to tax levy limitations including those contained in sections 275.50 to 275.56 and in Laws 1969, Chapter 593, as amended by Laws

1974, Chapter 108, commencing with the levy made in 1976, payable in 1977, and terminating with the levy made in 1977, payable in 1978. A governmental subdivision may make a supplementary levy in 1977, payable in 1978, for all costs of implementing section 18.023 incurred in calendar year 1977 for which a levy was not made in 1976, payable in 1977. For the purpose of calculating the tax levy limit base under section 275.51, for levy year 1977, taxes payable in 1978, there shall be subtracted from the levy limit base of any governmental subdivision an amount equal to 112 percent of the amount levied under section 18.023 in levy year 1974, taxes payable in 1975, and included in the levy limit base of the governmental subdivision as a result of Laws 1975, Chapter 437.

Sec. 12. The commissioner of agriculture shall adopt emergency rules pursuant to section 15.0412, subdivision 5, concerning grants to municipalities for reforestation and sanitation which shall be effective until either September 1, 1977, or the effective date of the amended permanent rules to be promulgated pursuant to section 3 of this act, whichever occurs first.

Sec. 13. The commissioner may employ and prescribe the duties of three permanent employees in the unclassified service as may be necessary to administer the provisions of section 18.023, subject to appropriation, until June 30, 1978. Thereafter, the three positions shall be in the classified service.

Sec. 14. [APPROPRIATIONS.] Subdivision 1. There is appropriated from the general fund to the commissioner of agriculture the following amounts for the following purposes, for the period from January 1, 1977 to December 31, 1978. The sum of \$13,762,500 shall be available for expenditure from January 1, 1977 to December 31, 1977 and \$13,762,500 shall be available for expenditure from January 1, 1978 to December 31, 1978:

(a) For grants for sanitation programs pursuant to Minnesota Statutes, Section 18.023, Subdivision 3a, \$21,650,000

(b) For grants for reforestation programs pursuant to Minnesota Statutes, Section 18.023, Subdivision 3a, \$ 4,400,000

(c) For grants-in-aid for wood utilization and disposal systems pursuant to Minnesota Statutes, Section 18.023, Subdivision 3a, \$ 550,000

(d) For public information \$ 225,000

(e) For experimental programs pursuant to Minnesota Statutes, Section 18.023, Subdivision 10a, \$ 400,000

(f) For administration \$ 300,000

The commissioner shall not make grants for sanitation and reforestation for wood utilization and disposal systems in excess of 67 percent of the amounts specified in clauses (a) to (c) to the municipalities located within the metropolitan area, as defined in section 18.023, subdivision 1.

Subd. 2. There is appropriated from the general fund to the university of Minnesota the following amounts for the following

purposes, for the period from January 1, 1977, to December 31, 1978:

(a) For research by the agricultural experimental station, pursuant to Minnesota Statutes, Section 18.023, Subdivision 10, \$ 100,000

(b) For continuing education and training by the agricultural extension service, pursuant to Minnesota Statutes, Section 18.023, Subdivision 10, \$ 250,000

Subd. 3. The sum of \$625,000 is appropriated from the general fund to the commissioner of natural resources for the expenses of sanitation of diseased shade trees on lands which the commissioner administers within 1,000 feet of any municipality with an approved disease control program and within camp sites, picnic areas, waysides and parking areas.

This appropriation is in lieu of all other appropriations to the commissioner of natural resources for the same purposes for the period from January 1, 1977 to December 31, 1978.

Subd. 4. The appropriations in this section shall not cancel but shall remain available until expended.

Sec. 15. [REPEALER.] Minnesota Statutes 1976, Section 18.023, Subdivision 6, is repealed.

Sec. 16. [EFFECTIVE DATE.] This act is effective January 1, 1977.

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

Senate Conferees: (Signed) Hubert H. Humphrey, III; Gerald L. Willet; Steve Keefe; Emily Anne Staples; Robert G. Dunn

House Conferees: (Signed) Thomas Berg, Ann Wynia, Richard Welch, Henry J. Kalis, Donald Friedrich

Mr. Humphrey moved that the foregoing recommendations and Conference Committee Report on S. F. No. 32 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.

CALL OF THE SENATE

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

Bang	Hanson	Lewis	Penny	Staples
Bernhagen	Hughes	Luther	Perpich	Stokowski
Borden	Humphrey	McCutcheon	Peterson	Strand
Brataas	Jensen	Menning	Pillsbury	Stumpf
Davies	Johnson	Merriam	Renneke	Ulland, J.
Dieterich	Keefe, S.	Moe	Schmitz	Vega
Dunn	Kirchner	Nelson	Schrom	Willet
Engler	Kleinbaum	Nichols	Sieloff	
Frederick	Knoll	Ogdahl	Sikorski	
Gearty	Knutson	Olhoff	Sillers	
Gunderson	Lessard	Olson	Spear	

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

S. F. No. 32: A bill for an act relating to shade tree disease control; authorizing grants for municipal shade tree removal and reforestation programs; authorizing a shade tree disease control research program; appropriating money; amending Minnesota Statutes 1976, Sections 18.023, Subdivisions 1, 1a, 2, 3a, 4, 7, 8 and 11, and adding a subdivision; 116.07, Subdivision 4; and 275.50, by adding a subdivision; repealing Minnesota Statutes 1976, Section 18.023, Subdivision 6.

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

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

The roll was called, and there were yeas 53 and nays 7, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Penny	Solon
Bang	Gearty	Lessard	Perpich	Spear
Bernhagen	Hanson	Lewis	Pillsbury	Staples
Borden	Hughes	Luther	Purfeerst	Stokowski
Brataas	Humphrey	McCutcheon	Renneke	Strand
Chmielewski	Jensen	Menning	Schaaf	Stumpf
Coleman	Johnson	Milton	Schmitz	Ulland, J.
Davies	Keefe, S.	Moe	Setzepfandt	Vega
Dieterich	Kirchner	Nelson	Sieloff	Willet
Dunn	Kleinbaum	Ogdahl	Sikorski	
Engler	Knoll	Olhoff	Sillers	

Those who voted in the negative were:

Ashbach	Knutson	Olson	Peterson	Schrom
Gunderson	Nichols			

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

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Senate Calendar and waive the lie-over requirement. The motion prevailed.

THIRD READING OF SENATE BILLS

S. F. No. 210: A bill for an act relating to taxation; altering procedure for obtaining refunds of tax on gasoline or special fuels not used in motor vehicles or for aviation purposes; appropriating money; amending Minnesota Statutes 1976, Sections 290.06, by adding a subdivision; and 296.18, Subdivisions 1, 1a, 2, and 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Knutson	Olhoff	Sieloff
Bang	Gunderson	Laufenburger	Penny	Sikorski
Bernhagen	Hanson	Lessard	Perpich	Sillers
Borden	Hughes	Lewis	Peterson	Solon
Brataas	Humphrey	Luther	Pillsbury	Spear
Coleman	Jensen	McCutcheon	Purfeerst	Staples
Davies	Johnson	Menning	Renneke	Stokowski
Dieterich	Keefe, S.	Milton	Schaaf	Strand
Dunn	Kirchner	Moe	Schmitz	Stumpf
Engler	Kleinbaum	Nelson	Schrom	Ulland, J.
Frederick	Knoll	Nichols	Setzepfandt	Vega

So the bill passed and its title was agreed to.

S. F. No. 1019: A bill for an act relating to the city of Moorhead; authorizing taxes in excess of levy limitations for support of the arts.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knoll	Olhoff	Solon
Ashbach	Frederick	Knutson	Olson	Spear
Bang	Gearty	Laufenburger	Penny	Staples
Bernhagen	Gunderson	Lessard	Perpich	Strand
Borden	Hanson	Lewis	Peterson	Stumpf
Brataas	Hughes	Luther	Pillsbury	Ulland, J.
Chmielewski	Jensen	McCutcheon	Purfeerst	Vega
Coleman	Johnson	Menning	Renneke	Willet
Davies	Keefe, S.	Milton	Schmitz	
Dieterich	Kirchner	Nelson	Sieloff	
Dunn	Kleinbaum	Nichols	Sillers	

Messrs. Schaaf, Schrom, Setzepfandt and Sikorski voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 73: A bill for an act relating to weather modification; prohibiting ground-based cloud seeding apparatus; prescribing a penalty.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Knutson	Olson	Sikorski
Bang	Gearty	Laufenburger	Penny	Solon
Bernhagen	Gunderson	Lessard	Perpich	Spear
Borden	Hanson	Luther	Peterson	Staples
Brataas	Hughes	McCutcheon	Pillsbury	Stokowski
Chmielewski	Jensen	Menning	Purfeerst	Strand
Coleman	Johnson	Milton	Renneke	Stumpf
Davies	Keefe, S.	Moe	Schaaf	Ulland, J.
Dieterich	Kirchner	Nelson	Schmitz	Vega
Dunn	Kleinbaum	Nichols	Setzepfandt	Willet
Engler	Knoll	Olhoft	Sieloff	

Mr. Schrom voted in the negative.

So the bill passed and its title was agreed to.

THIRD READING OF HOUSE BILLS

H. F. No. 40: A bill for an act relating to real estate brokers and salespersons; authorizing the commissioner to increase license terms; establishing a prelicense educational requirement and a continuing educational requirement; requiring an annual report on the real estate education, research and recovery fund; and requiring regular meetings of the real estate advisory council; amending Minnesota Statutes 1976, Sections 82.22, Subdivision 6, and by adding a subdivision; 82.30; and 82.34, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 46 and nays 12, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kleinbaum	Nichols	Spear
Bang	Frederick	Knoll	Penny	Staples
Benedict	Gearty	Knutson	Peterson	Stokowski
Bernhagen	Hanson	Laufenburger	Pillsbury	Stumpf
Borden	Hughes	Lessard	Purfeerst	Ulland, J.
Brataas	Humphrey	Lewis	Schaaf	Vega
Coleman	Jensen	Luther	Schmitz	
Davies	Johnson	McCutcheon	Sieloff	
Dieterich	Keefe, S.	Moe	Sikorski	
Dunn	Kirchner	Nelson	Solon	

Those who voted in the negative were:

Chmielewski	Merriam	Perpich	Schrom	Strand
Gunderson	Olhoft	Renneke	Setzepfandt	Willet
Menning	Olson			

So the bill passed and its title was agreed to.

H. F. No. 808: A bill for an act relating to local improvement; contracts; requiring percentage payments thereunder, and requiring payment of interest on money due and not paid in accordance with the contract; amending Minnesota Statutes 1976, Section 429.041, Subdivision 6.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 35 and nays 23, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Knoll	Peterson	Setzepfandt
Bang	Gearty	Laufenburger	Pillsbury	Sieloff
Bernhagen	Gunderson	Lessard	Purfeerst	Solon
Brataas	Hanson	Lewis	Renneke	Stokowski
Chmielewski	Keefe, S.	Menning	Schaaf	Ueland, A.
Dunn	Kirchner	Moe	Schmitz	Ulland, J.
Engler	Kleinbaum	Nichols	Schrom	Vega

Those who voted in the negative were:

Benedict	Humphrey	McCutcheon	Penny	Strand
Borden	Jensen	Merriam	Perpich	Stumpf
Davies	Johnson	Nelson	Sikorski	Willet
Dieterich	Knutson	Olhoff	Spear	
Hughes	Luther	Olson	Staples	

So the bill passed and its title was agreed to.

H. F. No. 1161: A bill for an act relating to education; correcting and eliminating certain erroneous and obsolete references and text relating to state universities and community colleges; amending Minnesota Statutes 1976, Sections 136.60, Subdivision 1, and by adding a subdivision; 136.602; 136.603; 136.62, Subdivisions 1, 2, and 4; 136.621, Subdivision 1; repealing Minnesota Statutes 1976, Sections 136.016; 136.60, Subdivision 2; 136.601; 136.62, Subdivision 3; 136.621, Subdivisions 2 and 3; and 136.66.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Laufenburger	Penny	Solon
Bang	Gearty	Lessard	Perpich	Spear
Benedict	Gunderson	Lewis	Peterson	Staples
Bernhagen	Hanson	Luther	Pillsbury	Stokowski
Borden	Hughes	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Renneke	Stumpf
Chmielewski	Johnson	Merriam	Schaaf	Ueland, A.
Coleman	Keefe, S.	Moe	Schmitz	Ulland, J.
Davies	Kirchner	Nelson	Schrom	Vega
Dieterich	Kleinbaum	Nichols	Setzepfandt	Willet
Dunn	Knoll	Olhoff	Sieloff	
Engler	Knutson	Olson	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 848: A bill for an act relating to the city of Minneapolis; miscellaneous amendments; establishment of a coordinated program; amending Minnesota Statutes 1976, Sections 422A.01, by adding subdivisions; 422A.06, Subdivision 6; 422A.08, Sub-

divisions 2 and 5; 422A.09, Subdivision 3; 422A.16, by adding a subdivision; 422A.18, Subdivision 2; 422A.23, Subdivision 7, and by adding a subdivision; Chapter 355, by adding sections; and Chapter 422A, by adding sections.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Perpich	Spear
Bang	Gunderson	Lewis	Peterson	Staples
Benedict	Hanson	Luther	Pillsbury	Stokowski
Bernhagen	Hughes	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Renneke	Stumpf
Chmielewski	Johnson	Merriam	Schaaf	Ueland, A.
Coleman	Keefe, S.	Moe	Schmitz	Ulland, J.
Davies	Kirchner	Nelson	Schrom	Vega
Dieterich	Kleinbaum	Nichols	Setzepfandt	Willet
Dunn	Knoll	Olhoft	Sieloff	
Engler	Knutson	Olson	Sikorski	
Frederick	Laufenburger	Penny	Solon	

So the bill passed and its title was agreed to.

H. F. No. 791: A bill for an act relating to state lands; authorizing the lease of certain state lands in Rice county to the city of Faribault for the purpose of establishing a nature interpretative center with emphasis on natural history.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Brataas	Humphrey	McCutcheon	Purfeerst	Strand
Chmielewski	Jensen	Menning	Renneke	Stumpf
Coleman	Johnson	Merriam	Schaaf	Ueland, A.
Davies	Keefe, S.	Moe	Schmitz	Ulland, J.
Dieterich	Kirchner	Nelson	Schrom	Vega
Dunn	Kleinbaum	Nichols	Setzepfandt	Willet
Engler	Knoll	Olhoft	Sieloff	
Frederick	Knutson	Olson	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 635: A bill for an act relating to insurance; increasing solicitors license fees; authorizing issuance of cease and desist orders and injunctions; prescribing and clarifying penalties; amending Minnesota Statutes 1976, Sections 60A.17, Subdivision 4, and by adding subdivisions; and 72A.07.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 2, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Perpich	Staples
Bang	Gunderson	Lewis	Peterson	Stokowski
Benedict	Hanson	Luther	Pillsbury	Strand
Bernhagen	Hughes	McCutcheon	Purfeerst	Stumpf
Brataas	Humphrey	Menning	Renneke	Ueland, A.
Chmielewski	Johnson	Merriam	Schaaf	Ulland, J.
Coleman	Keefe, S.	Moe	Schmitz	Vega
Davies	Kirchner	Nelson	Setzepfandt	Willet
Dieterich	Kleinbaum	Nichols	Sieloff	
Dunn	Knoll	Olhoft	Sikorski	
Engler	Knutson	Olson	Solon	
Frederick	Laufenburger	Penny	Spear	

Messrs. Jensen and Schrom voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 922: A bill for an act relating to labor; authorizing certain payroll deductions; amending Minnesota Statutes 1976, Section 181.06.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 4, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Laufenburger	Penny	Stokowski
Bang	Gunderson	Lessard	Perpich	Strand
Bernhagen	Hanson	Lewis	Purfeerst	Stumpf
Brataas	Hughes	Luther	Renneke	Ueland, A.
Chmielewski	Humphrey	McCutcheon	Schaaf	Ulland, J.
Coleman	Jensen	Menning	Schmitz	Vega
Davies	Johnson	Moe	Setzepfandt	Willet
Dieterich	Keefe, S.	Nelson	Sieloff	
Dunn	Kirchner	Nichols	Solon	
Engler	Kleinbaum	Olhoft	Spear	
Frederick	Knoll	Olson	Staples	

Messrs. Merriam, Peterson, Schrom and Sikorski voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1102: A bill for an act relating to state agencies; procedures used in purchasing and furnishing goods and services; amending Minnesota Statutes 1976, Sections 16.02, Subdivisions 2, 13, 19, and by adding a subdivision; 16.72, Subdivision 2; 16.75, Subdivision 7 and 327.51, Subdivisions 1 and 3, and by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 47 and nays 8, as follows:

Those who voted in the affirmative were:

Bang	Hanson	Lewis	Perpich	Stokowski
Benedict	Hughes	Luther	Peterson	Strand
Bernhagen	Humphrey	McCutcheon	Purfeerst	Stumpf
Chmielewski	Johnson	Menning	Schaaf	Ueland, A.
Coleman	Keefe, S.	Merriam	Schmitz	Ulland, J.
Davies	Kirchner	Moe	Setzepfandt	Vega
Dieterich	Kleinbaum	Nelson	Sieloff	Willet
Engler	Knoll	Nichols	Sikorski	
Gearty	Laufenburger	Olhoff	Spear	
Gunderson	Lessard	Penny	Staples	

Those who voted in the negative were:

Ashbach	Frederick	Olson	Renneke	Schrom
Dunn	Jensen	Pillsbury		

So the bill passed and its title was agreed to.

H. F. No. 916: A bill for an act relating to welfare; child support; authorizing additional procedures in collection of support payments; updating uniform reciprocal enforcement of support act; amending Minnesota Statutes 1976, 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; 393.11; 487.19, Subdivision 1; 518.41; 518.42, Subdivisions 2, 5, 7, 8, 9, and by adding subdivisions; 518.45, Subdivisions 2, 4 and 5; 518.46, Subdivisions 2, 3 and 4; 518.48; 518.49; 518.551; and Chapter 518, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Perpich	Staples
Bang	Gunderson	Lewis	Peterson	Stokowski
Benedict	Hanson	Luther	Pillsbury	Strand
Bernhagen	Humphrey	McCutcheon	Purfeerst	Stumpf
Brataas	Jensen	Menning	Renneke	Ueland, A.
Chmielewski	Johnson	Merriam	Schaaf	Ulland, J.
Coleman	Keefe, S.	Moe	Schmitz	Vega
Davies	Kirchner	Nelson	Schrom	Willet
Dieterich	Kleinbaum	Nichols	Setzepfandt	
Dunn	Knoll	Olhoff	Sieloff	
Engler	Knutson	Olson	Sikorski	
Frederick	Laufenburger	Penny	Spear	

So the bill passed and its title was agreed to.

H. F. No. 1079: A bill for an act relating to agriculture; seeds; changing the basis for listing restricted noxious weed seeds on labels; prohibiting certain acts; increasing fees; amending Minne-

sota Statutes 1976, Sections 21.48, Subdivision 3; 21.49, Subdivision 1; 21.53, Subdivision 3; and 21.54, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Laufenburger	Penny	Solon
Bang	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Brataas	Humphrey	McCutcheon	Purfeerst	Strand
Chmielewski	Jensen	Menning	Renneke	Stumpf
Coleman	Johnson	Merriam	Schaaf	Ueland, A.
Davies	Keefe, S.	Moe	Schmitz	Ulland, J.
Dieterich	Kirchner	Nelson	Schrom	Vega
Dunn	Kleinbaum	Nichols	Setzepfandt	Willet
Engler	Knoll	Olhoff	Sieloff	
Frederick	Knutson	Olson	Sikorski	

So the bill passed and its title was agreed to.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to 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 File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S. F. No. 922: A bill for an act relating to parking privileges for the physically handicapped; prohibiting nonhandicapped persons from parking in spaces designated for the handicapped; providing penalties.

Senate File No. 922 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 11, 1977

CONCURRENCE AND REPASSAGE

Mr. Benedict moved that the Senate concur in the amendments by the House to S. F. No. 922 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 922: A bill for an act relating to parking privileges for the physically handicapped; prohibiting nonhandicapped persons from parking in spaces designated for the handicapped; providing penalties; amending Minnesota Statutes 1976, Section 168.02, Subdivision 1.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 56 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Laufenburger	Peterson	Staples
Bang	Gunderson	Lessard	Pillsbury	Stokowski
Benedict	Hanson	Lewis	Purfeerst	Strand
Bernhagen	Hughes	Luther	Renneke	Stumpf
Brataas	Humphrey	McCutcheon	Schaaf	Ueland, A.
Chmielewski	Jensen	Menning	Schmitz	Ulland, J.
Coleman	Johnson	Moe	Schrom	Vega
Davies	Keefe, S.	Nelson	Setzepfandt	Willet
Dieterich	Kirchner	Nichols	Sieloff	
Dunn	Kleinbaum	Olhoff	Sikorski	
Engler	Knoll	Olson	Solon	
Frederick	Knutson	Penny	Spear	

Mr. Merriam voted in the negative.

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Consent Calendar. The motion prevailed.

CONSENT CALENDAR

H. F. No. 1474: A bill for an act relating to employment services; authorizing the release of information to certain state agencies; amending Minnesota Statutes 1976, Section 268.12, Subdivision 12.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Perpich	Spear
Bang	Gunderson	Lewis	Peterson	Staples
Benedict	Hanson	Luther	Pillsbury	Stokowski
Bernhagen	Hughes	McCutcheon	Purfeerst	Strand
Brataas	Humphrey	Menning	Renneke	Stumpf
Chmielewski	Jensen	Merriam	Schaaf	Ueland, A.
Coleman	Johnson	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kirchner	Nichols	Setzepfandt	Willet
Dunn	Knoll	Olhoff	Sieloff	
Engler	Knutson	Olson	Sikorski	
Frederick	Laufenburger	Penny	Solon	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated the following bills a Special Orders Calendar for immediate consideration:

S. F. Nos. 446, 124, 655, 690 and H. F. Nos. 875, 1180, 451 and 405.

SPECIAL ORDER

H. F. No. 875: A bill for an act relating to housing; providing an exception to the interest limitation for borrowing by housing and redevelopment authorities; making certain changes in the laws relating to the operation of the housing finance agency; making cooperatives eligible for housing finance agency programs; establishing certain loan and assistance programs; increasing the bonding limitations of the agency; providing for a demonstration project for energy conserving construction; appropriating money; amending Minnesota Statutes 1976, Sections 462.555; 462A.03, Subdivision 13; 462A.05, Subdivisions 3, 5, 14, 15, and by adding subdivisions; 462A.07, Subdivision 12, and by adding subdivisions; 462A.-09; 462A.21, Subdivisions 4a, 4b, and by adding subdivisions; and 462A.22, Subdivisions 1 and 9, and by adding a subdivision; repealing Minnesota Statutes 1976, Section 462A.26.

Mr. Moe moved to amend H. F. No. 875, as amended pursuant to Rule 49, adopted by the Senate May 11, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 867.)

Page 2, line 15, strike "*the*" and insert "*that*"

Page 2, line 20, strike "*shall be*" and insert "*is*"

Page 2, line 21, before "*mortgage*" insert "*first*"

Page 2, line 24, strike "*funds*" and insert "*money*"

Page 3, line 23, strike "*the*"

Page 7, line 4, strike "*funds*" and insert "*money*"

Page 7, line 16, delete "*16*" and insert "*17*"

Page 9, after line 13, insert:

"Sec. 13. Minnesota Statutes 1976, Section 462A.20, Subdivision 2, is amended to read:

Subd. 2. There shall be paid into the housing development fund:

(a) Any moneys appropriated and made available by the state for the purposes of the fund;

(b) Any moneys which the agency receives in repayment of advances made from the fund;

(c) Any other moneys which may be made available to the authority for the purpose of the fund from any other source or sources;

(d) All fees and charges collected by the agency, *except that fees and charges and other income, including transfers from other funds, intended to cover administrative costs of the agency shall be deposited in the general fund*;

(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."

Page 9, line 20, strike "*funds*" and insert "*money*"

Page 9, line 21, after "*agency*" insert "*to the extent provided in this section*"

Page 9, lines 22 and 23, strike "*to the extent provided in this section*"

Page 10, line 16, strike "*shall be*" and insert "*is*"

Page 10, line 17, strike "*shall be*" and insert "*is*"

Page 11, line 9, strike "*as*"

Page 11, line 13, strike "*subsidies*" and insert "*assistance payments*"

Page 11, line 16, strike "*subsidy for payments*" and insert "*assistance for payment*"

Page 11, line 19, strike "*subsidy*" and insert "*assistance payments*"

Page 11, line 25, strike "*7*" and insert "*8*"

Page 11, line 26, strike "*committee*" and insert "*commission*"

Page 11, line 27, strike "*may*" and insert "*shall*"

Page 11, lines 27 and 28, strike "*specific appropriations from*" and insert "*money appropriated directly by*"

Page 11, line 28, after "*legislature*" insert "*specifically for this purpose*"

Page 11, line 31, after "*the*" insert "*repeal of section 462A.26 and the*"

Page 11, line 31, strike "*23*"

Page 11, line 32, strike "*or Minnesota Statutes, Section*"

Page 11, line 32, strike "*laws*" and insert "*law*"

Page 12, line 3, strike "*shall be*" and insert "*are*"

Page 12, line 4, strike "*shall*"

Page 12, line 5, strike "*; provided that*" and insert a period

Page 12, line 6, strike "*shall be*" and insert "*are*"

Page 12, strike the language in line 23 after "*1a.*" and insert "*For \$200,000,000 of*"

Page 12, line 24, strike "*additional*"

Page 12, line 25, strike "*which*" and insert "*of the proceeds that*"

Page 12, line 26, after "housing" insert ", not less than 20 percent"

Page 13, lines 3 and 4, strike "funds for" and insert "money under"

Page 13, line 7, strike "funds" and insert "money"

Page 13, after line 8, insert:

"Sec. 22. [REPEALER.] *Minnesota Statutes 1976, Sections 462A.21, Subdivision 4; and 462A.26, are repealed.*

Sec. 23 [APPROPRIATION.] *The sums set forth in this section are appropriated from the general fund to the Minnesota housing finance agency for the costs of general administration of agency programs, to be available for expenditure for the fiscal year ending June 30 in the years indicated.*

Approved Complement
1978-77 1979-81

	1978	1979
	\$2,260,500	\$2,312,500"

Page 13, line 25, strike "15" and insert "16"

Page 13, line 27, strike "16" and insert "17"

Page 14, strike section 23

Page 14, line 23, strike "shall be" and insert "is"

Renumber the sections in sequence

Amend the title as follows:

Line 16, after "462A.09;" insert "462A.20, Subdivision 2;"

Line 20, strike "Section" and insert "Sections 462A.21, Subdivision 4; and"

The motion prevailed. So the amendment was adopted.

Mr. Knoll moved to amend H. F. No. 875, as amended pursuant to Rule 49, adopted by the Senate May 11, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 867.)

Page 13, line 19, strike "\$25,000,000" and insert "\$20,000,000"

Page 13, line 23, strike "\$10,000,000" and insert "\$15,000,000"

The motion prevailed. So the amendment was adopted.

H. F. No. 875 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 45 and nays 6, as follows:

Those who voted in the affirmative were:

Anderson	Hughes	Luther	Olson	Spear
Bang	Humphrey	McCutcheon	Penny	Staples
Benedict	Johnson	Menning	Peterson	Stokowski
Chmielewski	Keefe, S.	Milton	Schaaf	Strand
Dieterich	Kirchner	Moe	Schrom	Stumpf
Engler	Knoll	Nelson	Setzepfandt	Ueland, A.
Gearty	Laufenburger	Nichols	Sieloff	Ulland, J.
Gunderson	Lessard	Ogdahl	Sikorski	Vega
Hanson	Lewis	Olhoft	Sillers	Willet

Those who voted in the negative were:

Ashbach	Brataas	Davies	Knutson	Pillsbury
Bernhagen				

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

SPECIAL ORDER

S. F. No. 446: A bill for an act relating to public welfare; increasing supplemental aid; appropriating money; amending Minnesota Statutes 1976, Section 256D.37, Subdivision 2, and by adding subdivisions.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Penny	Staples
Ashbach	Gearty	Lessard	Pillsbury	Stokowski
Bang	Gunderson	Lewis	Renneke	Strand
Benedict	Hanson	Luther	Schaaf	Stumpf
Bernhagen	Hughes	McCutcheon	Schrom	Ueland, A.
Brataas	Humphrey	Menning	Setzepfandt	Ulland, J.
Chmielewski	Johnson	Moe	Sieloff	Vega
Coleman	Keefe, S.	Nelson	Sikorski	Willet
Davies	Kirchner	Nichols	Sillers	
Dieterich	Knoll	Olhoft	Solon	
Engler	Knutson	Olson	Spear	

Mr. Peterson voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 124: A bill for an act relating to women; establishing pilot programs to provide emergency shelter and support services to battered women; providing funds to establish community education programs about battered women; providing for data collection; waiving certain general assistance eligibility requirements for battered women; appropriating money; amending Minnesota Statutes 1976, Section 256D.05, by adding a subdivision.

Mr. Lewis moved to amend S. F. No. 124 as follows:

Page 4, line 22, strike "Eight" and insert "Five"

Page 4, line 25, strike "*three*" and insert "*four*"

The motion prevailed. So the amendment was adopted.

Mr. Pillsbury moved to amend S. F. No. 124 as follows:

Page 1, line 16, strike "*woman*" and insert "*person*"

Page 1, line 17, strike "*her*" and insert "*the*" and strike "*male*"

Page 1, line 18, strike "*male*" and insert "*person*"

Page 1, line 18, strike "*she*" and insert "*that person*"

Page 1, line 21, strike "*women*" and insert "*persons*"

Page 1, line 22, strike "*women*" and insert "*persons*"

Page 2, lines 7, 18, and 22, strike "*women*" and insert "*persons*"

Page 3, lines 4 and 12, strike "*women*" and insert "*persons*"

Page 4, lines 2 and 24, strike "*women*" and insert "*persons*"

Page 5, lines 18, 20 and 29, strike "*women*" and insert "*persons*"

Page 5, line 18, strike "*male*" and strike "*males*" and insert "*persons*"

Page 6, line 9, strike "*women*" and insert "*persons*"

Page 6, line 10, strike "*male*" and strike "*males*" and insert "*persons*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 15 and nays 37, as follows:

Those who voted in the affirmative were:

Bernhagen	Knutson	Olson	Renneke	Sieloff
Chmielewski	Lessard	Perpich	Schmitz	Stumpf
Davies	Olhoft	Pillsbury	Schrom	Wegener

Those who voted in the negative were:

Bang	Gunderson	Knoll	Nichols	Stokowski
Benedict	Hanson	Laufenburger	Penny	Strand
Brataas	Hughes	Lewis	Peterson	Ueland, A.
Coleman	Humphrey	Luther	Purfeerst	Ulland, J.
Dieterich	Johnson	McCutcheon	Setzepfandt	Vega
Engler	Keefe, S.	Milton	Sikorski	
Frederick	Kirchner	Moe	Spear	
Gearty	Kleinbaum	Nelson	Staples	

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

S. F. No. 124 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 53 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olon	Spear
Ashbach	Gearty	Laufenburger	Penny	Staples
Bang	Gunderson	Lessard	Peterson	Stokowski
Benedict	Hanson	Lewis	Pillsbury	Strand
Bernhagen	Hughes	Luther	Purfeerst	Stumpf
Brataas	Humphrey	McCutcheon	Renneke	Ueland, A.
Coleman	Johnson	Milton	Schaaf	Ulland, J.
Davies	Keefe, S.	Moe	Schmitz	Vega
Dieterich	Kirchner	Nelson	Setzepfandt	Wegener
Dunn	Kleinbaum	Nichols	Sieloff	
Engler	Knoll	Olhoft	Sikorski	

Messrs. Chmielewski and Schrom voted in the negative.

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

SPECIAL ORDER

S. F. No. 655: A bill for an act relating to appropriations; providing funding for the continued operation of detached worker programs for assistance to young people.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Olhoft	Sikorski
Ashbach	Frederick	Laufenburger	Penny	Spear
Bang	Gearty	Lessard	Peterson	Staples
Benedict	Gunderson	Lewis	Pillsbury	Stokowski
Bernhagen	Hanson	Luther	Purfeerst	Strand
Brataas	Hughes	McCutcheon	Renneke	Stumpf
Chmielewski	Humphrey	Menning	Schaaf	Ueland, A.
Coleman	Johnson	Milton	Schmitz	Ulland, J.
Davies	Keefe, S.	Moe	Schrom	Vega
Dieterich	Kirchner	Nelson	Setzepfandt	Wegener
Dunn	Knoll	Nichols	Sieloff	

So the bill passed and its title was agreed to.

Pursuant to Rule 21, Mr. Moe moved that the following members be excused for a Conference Committee on S. F. No. 1416:

Messrs. Kirchner, Lewis, Milton, Perpich and Moe. The motion prevailed.

SPECIAL ORDER

S. F. No. 690: A bill for an act appropriating money for educational television facilities in northern Minnesota.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knoll	Peterson	Spear
Ashbach	Frederick	Knutson	Pillsbury	Staples
Bang	Gearty	Laufenburger	Purfeerst	Stokowski
Benedict	Gunderson	Lessard	Renneke	Strand
Bernhagen	Hanson	Luther	Schaaf	Stumpf
Brataas	Hughes	Menning	Schmitz	Ueland, A.
Chmielewski	Johnson	Nelson	Schrom	Ulland, J.
Coleman	Keefe, S.	Nichols	Setzepfandt	Vega
Davies	Kirchner	Olhoft	Sieloff	Wegener
Dieterich	Kleinbaum	Penny	Sikorski	Willet

So the bill passed and its title was agreed to.

SPECIAL ORDER

H. F. No. 405: A bill for an act relating to gambling; authorizing the operation of certain gambling devices by licensed organizations; providing a penalty; amending Minnesota Statutes 1976, Sections 325.54, Subdivision 1; 340.14, Subdivision 2; 609.75; 609.76; Chapters 349, by adding a section; and 609, by adding a section.

Mr. Nelson moved to amend H. F. No. 405, as amended pursuant to Rule 49, adopted by the Senate, May 5, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 399.)

Page 2, line 31, strike "1a" and insert "2"

Page 3, line 3, before "For" insert "Subd. 3."

Page 3, line 8, before "For" insert "Subd. 4."

Page 3, line 11, before "Nothing" insert "Subd. 5."

Page 3, line 12, after "use" insert ", possession"

Page 3, line 18, strike "2" and insert "6"

Page 3, line 20, strike the semicolon and insert a comma

Page 3, line 21, after "fees" strike "and" and insert a comma

Page 3, line 23, strike "3" and insert "7"

Page 4, line 6, strike "4" and insert "8"

Page 4, line 12, strike "5" and insert "9"

Page 4, line 17, strike "6" and insert "10"

Page 5, line 2, strike "7" and insert "11"

Page 5, line 9, strike "8" and insert "12"

Page 5, line 15, after the comma insert "purpose,"

Page 6, line 7, strike "9" and insert "13"

Page 6, line 11, strike "such" and insert "the"

Page 6, lines 14 and 16, strike "such"

Page 6, line 18, strike "10" and insert "14"

Page 6, line 27, strike "11" and insert "15"

Page 7, line 21, before the period insert "*pursuant to section 3*"

Page 7, line 29, after "*government*" insert "*and conducted*"

The motion prevailed. So the amendment was adopted.

H. F. No. 405 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 38 and nays 7, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Luther	Schmitz	Stokowski
Bang	Hanson	McCutcheon	Schrom	Stumpf
Benedict	Hughes	Nelson	Setzepfandt	Ulland, J.
Brataas	Humphrey	Nichols	Sieloff	Vega
Coleman	Johnson	Olson	Sikorski	Wegener
Dieterich	Keefe, S.	Penny	Sillers	Willet
Engler	Kleinbaum	Peterson	Spear	
Frederick	Knoll	Purfeerst	Staples	

Those who voted in the negative were:

Bernhagen	Dunn	Olhoft	Pillsbury	Strand
Chmielewski	Gunderson			

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

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the General Orders Calendar, and waive the lie-over requirement. 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 Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 978, 1174, 522, 1087, H. F. Nos. 1107, 90, 952, 1184, 129, 256, 1518, 1386, 261, 296, 947, 1275, 1017, 313, 16, 1421, 675, 259, 829, 41 and 856, which the committee recommends to pass.

H. F. No. 914 which the committee recommends to pass, subject to the following motion:

Mr. Schmitz moved that the amendment made to H. F. No. 914 by the Committee on Rules and Administration in the report adopted May 11, 1977, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 1226, which the committee recommends to pass with the following amendments offered by Messrs. Knoll and Kirchner:

Mr. Knoll, for Mr. Kirchner, moved to amend H. F. No. 1226, as amended pursuant to Rule 49, adopted by the Senate May 9, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1131.)

Page 9, after line 21, insert:

"Sec. 11. Minnesota Statutes 1976, Section 473.621, Subdivision 5, is amended to read:

Subd. 5. The investment of the cities of Minneapolis and St. Paul in the metropolitan airports system, from the date of the original enactment of this section to January 1, 1973, includes the land comprising airports owned by them and taken over pursuant to subdivision 2, and taxes levied on property within the cities in the years 1944 to 1969, the proceeds of which, together with revenues of the system and federal funds, were expended for the operation, administration, maintenance, improvement, and extension of the system and the service of debt incurred for such improvement and extension, including improvement of the city lands. The aggregate amount of such taxes was \$19,816,873, of which \$7,294,022 would have been assessed and extended against property outside the cities if the entire metropolitan area, which will be taxable by the corporation in 1974 and subsequent years under section 473.661, had been within its taxing jurisdiction when those levies were made. If it should become necessary for the corporation to levy any such taxes for any purpose other than the payment of bonds and interest, they shall be extended and assessed exclusively against taxable property outside the cities until the total amount so assessed and extended equals \$7,294,022, with interest from April 1, 1974, at the rate of six percent per annum on the unpaid balance. In the event that the airport land owned by either city should no longer be used for airport purposes, the corporation's control thereof shall cease, and title to the land and all improvements shall be and remain in the city, but the city shall become liable to the corporation for the repayment, without interest, of an amount of the taxes so paid which is proportionate to its own share of the cities' original investment, being 60 percent for Minneapolis and 40 percent for St. Paul. In the event that any other land or improvements owned or controlled by the corporation should ever cease to be used for airport purposes, all income therefrom and all proceeds received upon disposal thereof shall continue to be used for purposes of the metropolitan airport system, subject to federal laws and regulations governing such disposal; or if the operation of the system should ever be terminated, all such income and proceeds shall be distributed to the seven counties in the metropolitan area, in amounts proportionate to the assessed valuation of taxable property in each county at the time of such distribution.

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 9, after "2" strike "and 4" and insert " , 4 and 5"

Mr. Knoll then moved to amend H. F. No. 1226, as amended pursuant to Rule 49, adopted by the Senate May 9, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1131.)

Page 2, line 13, after the period, insert "*The mayors and members of the city councils of Minneapolis and St. Paul shall not be eligible for per diem compensation.*"

H. F. No. 1193, which the committee recommends to pass with the following amendment offered by Mr. Anderson:

Amend H. F. No. 1193, as amended pursuant to Rule 49, adopted by the Senate May 11, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1037.)

Page 2, line 15, strike "*subdivisions 2, 3 and 4*" and insert "*sub-division 2*"

Page 2, strike lines 25 to 32

Page 3, strike lines 1 to 7

Further, amend the title as follows:

Page 1, lines 7 to 8, strike " , rental assistance, and financial assistance"

H. F. No. 79, which the committee recommends to pass with the following amendment offered by Mr. Menning:

Page 2, line 22, after "2" insert " , or lands or interests in lands acquired for use in connection with mining and mineral processing operations provided, however, that pending the development of agricultural land for mining purposes such land may not be used for farming except under lease to a family farm, a family farm corporation or an authorized farm corporation"

H. F. No. 56, which the committee recommends to pass with the following amendment offered by Mr. Sikorski:

Page 1, after line 21, insert:

"Sec. 2. Minnesota Statutes 1976, Section 257.022, is amended by adding a subdivision to read:

Subd. 2a. [WHEN CHILD HAS RESIDED WITH GRAND-PARENTS.] If an unmarried minor has resided with his grandparents or great-grandparents for a period of 12 months or more, and is subsequently removed from the home by his parents, the grandparents or great-grandparents may petition the district or county court for an order granting them reasonable visitation rights to the child during his minority. The court shall grant the

petition if it finds that visitation rights would be in the best interests of the child and would not interfere with the parent and child relationship."

Renumber the remaining section

Amend the title as follows:

Page 1, line 5, before the period insert ", and by adding a subdivision"

H. F. No. 1498 which the committee recommends to pass, subject to the following motion:

Mr. Vega moved that the amendment to H. F. No. 1498 by the Committee on Rules and Administration in the report adopted May 11, 1977, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 672, which the committee recommends to pass with the following amendment offered by Mr. Davies:

Page 5, line 11, after the period insert "*This coverage may be offered in combination with the coverage under clause (e).*"

H. F. No. 398 which the committee recommends to pass, subject to the following motions:

Mr. Luther moved to amend the amendment placed on H. F. No. 398 by the Committee on Agriculture and Natural Resources, adopted by the Senate May 5, 1977, as follows:

In the amendment to page 2, after line 8, the second line of Subd. 5, strike "enactment or adoption" and insert "effective date"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 12 and nays 35, as follows:

Those who voted in the affirmative were:

Benedict	Johnson	Nelson	Sikorski	Ulland, J.
Coleman	Keefe, S.	Schaaf	Spear	Vega
Dieterich	Luther			

Those who voted in the negative were:

Ashbach	Gunderson	Laufenburger	Pillsbury	Sillers
Brataas	Hanson	Lessard	Purfeerst	Solon
Davies	Humphrey	Menning	Renneke	Staples
Dunn	Jensen	Ogdahl	Schmitz	Stokowski
Engler	Kleinbaum	Olhoft	Schrom	Strand
Frederick	Knoll	Olson	Setzepfandt	Stumpf
Gearty	Knutson	Peterson	Sieloff	Willet

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

Mr. Frederick moved to amend H. F. No. 398 as follows:

Page 1, strike subdivision 1

Page 1, line 15, strike "4" and insert "3"

Renumber the subdivisions in sequence

The motion prevailed. So the amendment was adopted.

H. F. No. 343, which the committee recommends to pass with the following amendment offered by Mr. Olhofft:

Amend H. F. No. 343, as amended pursuant to Rule 49, adopted by the Senate May 5, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1354.)

At the end of the bill insert:

"Sec. 2. [EFFECTIVE DATE.] *This act is effective July 1, 1977.*"

H. F. No. 1405 which the committee recommends to pass, subject to the following motions:

Mr. Ogdahl moved that the amendment made to H. F. No. 1405 by the Committee on Rules and Administration in the report adopted May 11, 1977, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 1305, which the committee recommends to pass with the following amendment offered by Mr. Schaaf:

Pages 3 and 4, strike sections 11 and 12

Re-number the sections in sequence

Amend the title as follows:

Line 10, strike "38.02, Subdivision 2; 38.13;"

H. F. No. 544 which the committee recommends to pass, subject to the following motions:

Mr. McCutcheon moved to amend H. F. No. 544 as follows:

Page 1, line 22, after the semicolon, insert "and"

Page 1, line 23, strike everything after "(2)"

Page 2, strike lines 1 to 5

Page 2, lines 6 to 13, restore the stricken language except "(3)" on line 6

Pages 2 and 3, strike Section 2 in its entirety

Page 4, lines 6 to 8, restore the stricken language

Page 4, lines 26 to 30, restore the stricken language

Page 4, line 31, restore the stricken language and strike the new language

Page 5, after line 23, insert

"The completion of an environmental impact statement and all other required planning elements for construction of Route No. 382 shall be at least the third priority of the commissioner with respect to planning for major highway construction in the metropolitan area after the trunk routes designated as interstate 35E and interstate 494 in Dakota county. The commissioner shall complete the environmental impact study and all other required planning elements for construction of Route No. 382 with all reasonable speed, and in any event no later than July 1, 1979."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, strike "removing the construction"

Page 1, line 3, strike "moratorium on" and insert "establishing priority for planning for the construction of"

Page 1, line 3, strike ", and" and insert a semicolon

Page 1, strike line 4

Page 1, line 7, strike " ; 161.12;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 43 and nays 6, as follows:

Those who voted in the affirmative were:

Ashbach	Hanson	Luther	Schaaf	Stokowski
Bang	Jensen	McCutcheon	Schmitz	Strand
Bernhagen	Johnson	Menning	Setzepfandt	Stumpf
Borden	Keefe, S.	Moe	Sieloff	Ueland, A.
Coleman	Kleinbaum	Nelson	Sikorski	Ulland, J.
Engler	Knoll	Olhoff	Sillers	Wegener
Frederick	Laufenburger	Penny	Solon	Willet
Gearty	Lessard	Perpich	Spear	
Gunderson	Lewis	Peterson	Staples	

Those who voted in the negative were:

Benedict	Humphrey	Knutson	Purfeerat	Vega
Brataas				

The motion prevailed. So the amendment was adopted.

Mr. Bernhagen moved to amend H. F. No. 544 as follows:

Page 4, line 8, strike "nor for proposed"

Page 4, line 9, strike "I-394 between I-494 and the Hawthorne interchange,"

Page 4, strike lines 20 through 25

Page 4, line 31, strike "(3)" and insert "(2)"

Further, amend the title as follows:

Page 1, line 3, strike "a"

Page 1, line 3, strike "route" and insert "routes"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 14 and nays 33, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Jensen	Olhoff	Sillers
Bang	Engler	Knutson	Purfeerst	Ueland, A.
Bernhagen	Frederick	Laufenburger	Schmitz	

Those who voted in the negative were:

Benedict	Johnson	McCutcheon	Schaaf	Strand
Coleman	Keefe, S.	Menning	Sieloff	Stumpf
Dieterich	Kleinbaum	Moe	Sikorski	Ulland, J.
Gearty	Knoll	Nelson	Solon	Vega
Gunderson	Lessard	Penny	Spear	Willet
Hanson	Lewis	Perpich	Staples	
Humphrey	Luther	Peterson	Stokowski	

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

RECONSIDERATION

Having voted on the prevailing side, Mr. Ashbach moved that the vote whereby the McCutcheon amendment to H. F. No. 544 was adopted on May 12, 1977, be now reconsidered.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 14 and nays 35, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Jensen	Sieloff	Ulland, J.
Bang	Engler	Knutson	Sillers	Vega
Bernhagen	Frederick	Ogdahl	Ueland, A.	

Those who voted in the negative were:

Benedict	Humphrey	Luther	Peterson	Spear
Borden	Johnson	McCutcheon	Schaaf	Staples
Coleman	Keefe, S.	Menning	Schmitz	Stokowski
Dieterich	Kleinbaum	Moe	Schrom	Strand
Gearty	Knoll	Olhoff	Setzpfandt	Stumpf
Gunderson	Lessard	Penny	Sikorski	Wegener
Hanson	Lewis	Perpich	Solon	Willet

The motion did not prevail.

The question was taken on the recommendation to pass H. F. No. 544.

The roll was called, and there were 46 yeas and nays 5, as follows:

Those who voted in the affirmative were:

Bang	Jensen	Menning	Schrom	Stumpf
Benedict	Johnson	Moe	Setzepfandt	Ueland, A.
Borden	Keefe, S.	Ogdahl	Sieloff	Ulland, J.
Coleman	Kleinbaum	Olhoff	Sikorski	Vega
Dieterich	Knoll	Penny	Sillers	Wegener
Engler	Laufenburger	Perpich	Solon	Willet
Gearty	Lessard	Peterson	Spear	
Gunderson	Lewis	Purfeerst	Staples	
Hanson	Luther	Schaaf	Stokowski	
Humphrey	McCutcheon	Schmitz	Strand	

Those who voted in the negative were:

Ashbach	Bernhagen	Brataas	Frederick	Knutson
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The motion prevailed. So H. F. No. 544 was recommended to pass.

On motion of Mr. Coleman, 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 subject to the call of the President. The motion prevailed.

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to revert to Reports of Committees, Second Reading of Senate Bills and Second Reading of House Bills.

REPORTS OF COMMITTEES

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

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was re-referred

S. F. No. 669: A bill for an act relating to energy; extending the application of the state building code to all cities and counties, clarifying state agency rulemaking regarding building code subject matter; further defining large energy facility; imposing duties on the director of the energy agency; requiring promulgation of certain energy conservation standards; revising certain requirements; exempting certain solar energy systems from sales and property taxation; providing a 20 percent credit against income tax for the cost of home insulation; providing a ten percent credit against income tax for the cost of certain solar energy systems; appropriating funds; amending Minnesota Statutes 1976, Sections 16.84; 16.851; 16.86, Subdivision 4; 116H.02, Subdivision 5; 116H.07, Subdivision 1; 116H.12, Subdivision 5, and by adding subdivisions; 116H.121; 116H.126; 116H.13, Subdivision 4; 126.111; 272.02, Subdivision 1; 287.241, by adding a subdivision; 290.06, Subdivision 9, and by adding a subdivision; 297A.25, Subdivision 1; and Chapter 116H, by adding a section; repealing Minnesota Statutes 1976, Sections 116H.12, Subdivision 10; 325.811; and 325.812.

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 1976, 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. 2a. "City" means a home rule charter or statutory city.

Subd. 3. "Municipality" means any city, county, 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 or town meeting the requirements of Minnesota Statutes, Section 368.01, Subdivision 1, or the University of Minnesota.

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. "Agricultural building" means a structure on agricultural land as defined in section 273.13, subdivision 6, designed, constructed and used to house farm implements or agricultural produce or products used by the owner, lessee and sublessee of the building and members of their immediate families, their employees, and persons engaged in the pickup or delivery of agricultural produce or products.

Sec. 2. Minnesota Statutes 1976, Section 16.851, is amended to read:

16.851 [STATE BUILDING CODE; 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 rulemaking 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, 1977, or as soon thereafter as possible, but in no event not later than July 1, 1978, all municipalities shall adopt and enforce the state building code with respect to new construction within their respective jurisdictions. If a city is enforcing the state building code on the effective date of this act, or determines by ordinance thereafter to undertake enforcement, it shall be charged with enforcement of the code within the city. A city may by ordinance extend the enforcement of the code to contiguous unincorporated territory not more than two miles distant from its corporate limits in any direction; provided that where two or more non-contiguous cities which have elected to enforce the code have boundaries less than four miles apart, each is authorized to enforce the code on its side of a line equidistant between them. Once enforcement authority is extended extraterritorially by ordinance, the authority may continue to be exercised in the designated territory even though another city less than four miles distant later elects to enforce the code. Any city may thereafter enforce the code in the designated area to the same extent as if such property were situated within its corporate limits. A city which, on the effective date of this act, has not adopted the code may not commence enforcement of the code within or outside of its jurisdiction until it has provided written notice to the commissioner, the county auditor, and the town clerk of each town in which it intends to enforce the code. A public hearing on the proposed enforcement must be held not less than 30 days after the notice has been provided. Enforcement of the code by the city will commence on the first day of January in the year following the notice and hearing. Municipalities may provide for the issuance of permits, inspection and enforcement within their jurisdictions by such means as may be convenient, and lawful, including by means of contracts with other municipalities pursuant to section 471.59, and with qualified individuals. In areas outside of the enforcement authority of a city, the fee charged for the issuance of permits and inspections for single family dwellings may not exceed the greater of \$100 or .005 times the value of the structure, addition or alteration. The other municipalities or qualified individuals may be reimbursed by retention or remission of some or all of the building permit fee collected or by other means. In areas of the state where inspection and enforcement is unavailable from qualified employees of municipalities, it shall be the responsibility of the commissioner to train and designate individuals available to carry out inspection and enforcement on a fee basis.

Subd. 2. If the commissioner determines that a municipality with enforcement responsibility 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 municipi-

pality 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 1976, 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. [TEMPORARY PROVISION.] *No later than January 1, 1978, 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. 5. Minnesota Statutes 1976, Section 116H.02, Subdivision 5, is amended to read:

Subd. 5. "Large energy facility" means :

(a) Any electric power generating plant or combination of plants at a single site with a combined capacity of 50,000 kilowatts or more, or any facility of 5,000 kilowatts or more which requires oil, natural gas, or natural gas liquids as a fuel and for which an installation permit has not been issued by the pollution control agency pursuant to Minn. Reg. APC 3(a) prior to July 1, 1977;

(b) Any high voltage transmission line with a capacity of 200 kilovolts or more and having with more than 100 50 miles of its length in Minnesota ; ; or, any high voltage transmission line with a capacity of 300 kilovolts with more than 25 miles of its length in Minnesota;

(c) Any facility on a single site designed for or capable of

storing more than one million gallons of crude petroleum or petroleum fuels or oil or *their derivatives thereof*, *unless the facility would be at an existing petroleum storage site and would constitute an increase of less than 20 percent in the storage capacity at that site;*

(d) Any pipeline greater than six inches in diameter and having more than 50 miles of its length in Minnesota used for the transportation of coal, crude petroleum or petroleum fuels or oil or *their derivatives thereof*;

(e) Any pipeline for transporting natural or synthetic gas at pressures in excess of 200 pounds per square inch and having with more than 50 miles of its length in Minnesota ;

(f) Any facility designed for or capable of storing on a single site more than 100,000 gallons of liquified natural gas or synthetic gas ;

(g) Any underground gas storage facility requiring a permit pursuant to section 84.57 ;

(h) Any facility designed or capable of serving as a depot for coal transported into this state for use within the state or transshipment from the state and ;

(i) Any petroleum refinery ;

(j) *Any nuclear fuel processing or nuclear waste storage or disposal facility; and*

(k) Any facility intended to convert ~~coal~~ *any material* into any other combustible fuel and having the capacity to process in excess of 25 tons of the material per hour.

Sec. 6. Minnesota Statutes 1976, Section 116H.07, Subdivision 1, is amended to read:

116H.07 [DUTIES.] Subdivision 1. ~~It shall be the duty of The director to shall :~~

(a) Manage the agency as the central repository within the state government for the collection of data on energy;

(b) Prepare and adopt an emergency allocation plan specifying actions to be taken in the event of an impending serious shortage of energy, or a threat to public health, safety, or welfare;

(c) Undertake a continuing assessment of trends in the consumption of all forms of energy and analyze the social, economic, and environmental consequences of these trends;

(d) Carry out energy conservation measures as specified by the legislature and recommend to the governor and the legislature additional energy policies and conservation measures as required to meet the objectives of sections 116H.01 to 116H.15;

(e) Collect and analyze data relating to present and future demands and resources for all sources of energy, and specify energy needs for the state and various service areas as a basis for planning large energy facilities;

(f) Require certificate of need for construction of large energy facilities;

(g) Evaluate policies governing the establishment of rates and prices for energy as related to energy conservation, and other goals and policies of sections 116H.01 to 116H.15, and make recommendations for changes in energy pricing policies and rate schedules;

(h) Study the impact and relationship of the state energy policies to international, national, and regional energy policies;

(i) Design a state program for the conservation of energy; this program shall include but not be limited to, general commercial, industrial, and residential areas; such program shall also provide for the evaluation of energy systems as they relate to lighting, heating, refrigeration, air conditioning, building design and operation, and appliance manufacturing and operation;

(j) Inform and educate the public about the *sources and uses of energy and the ways in which persons can conserve energy*;

(k) Dispense funds made available for the purpose of research studies and projects of professional and civic orientation, which are related to either energy conservation or the development of alternative energy technologies which conserve nonrenewable energy resources while creating minimum environmental impact;

(l) Charge other governmental departments and agencies involved in energy related activities with specific information gathering goals and require that those goals be met.

Sec. 7. *The director, in cooperation with the director of the state planning agency, the executive director of the pollution control agency, and the commissioners of natural resources and transportation, shall carry out a coal impact study and provide the legislature with an interim report and recommendations by January 1, 1978, and a final report by September 1, 1978.*

The study shall specify in five and ten year forecasts, the demand for coal in Minnesota by user type and location, estimate environmental impacts, examine transportation and handling system needs, discuss the potential for the use of coal gasification, and address the significant economic and institutional questions involved in bringing about a major shift in energy use from other fuels to coal.

Sec. 8. Minnesota Statutes 1976, Section 116H.12, Subdivision 5, is amended to read:

Subd. 5. ~~The director, in conjunction with the commissioner of administration,~~ shall conduct studies of ~~the state's and make recommendations concerning the purchase and use by the state and its political subdivisions of supplies, automobiles motor vehicles~~ and equipment having a significant impact on energy use in order to determine the potential for energy conservation. The director may promulgate regulation to insure that energy use and conservation will be considered in state purchasing and, where appropriate, to require certain minimum energy efficiency stan-

dards in purchased products and equipment. No state purchasing of equipment or material use shall occur that is not in conformity with these regulations.

Sec. 9. Minnesota Statutes 1976, Section 116H.12, is amended by adding a subdivision to read:

Subd. 11. Beginning January 1, 1978, no new room air conditioner shall be sold, installed or transported for resale into Minnesota unless it has an energy efficiency ratio of 7.0 or higher for units of 6,000 British thermal units or greater; or 6.0 energy efficiency ratio for units of less than 6,000 British thermal units. This subdivision shall not apply to air conditioners in Minnesota on January 1, 1978. No person may transport non-complying units into this state in excess of what he can reasonably anticipate selling prior to January 1, 1978.

Sec 10. Minnesota Statutes 1976, Section 116H.12, is amended by adding a subdivision to read:

Subd. 12. Beginning January 1, 1979, no new residential forced air type central furnace, cooking or clothes dryer equipment designed to burn natural gas, which also uses electrical energy, shall be sold or installed in Minnesota without a means, other than a continuously burning pilot, for automatic ignition.

Sec. 11. Minnesota Statutes 1976, Section 116H.121, is amended to read:

116H.121 [ENERGY CONSERVATION STANDARDS IN CERTAIN PUBLIC BUILDINGS.] *Subdivision 1.* Before February 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 include standards for all existing buildings heated by oil, coal, gas, or electric units which are owned by the state, the university of Minnesota, any city, any county, or any school district. Compliance with standards adopted pursuant to this section shall not be mandatory for buildings owned by any city, county or school district, except as otherwise provided by this section.

Subd. 2. Effective January 1, 1978, the illumination standards for new buildings promulgated pursuant to subdivision 1, shall be mandatory for all public buildings where economically feasible. For the purposes of this subdivision, "public building" means any building which is open to the public during normal business hours and which exceeds 5,000 square feet in gross floor area. The director shall specify the formula for determining economic feasibility and shall take appropriate measures prior to January 1, 1978 to inform building owners and managers of the requirements of this subdivision and to assist them in complying with it.

Subd. 3. No enclosed structure or portion of an enclosed structure constructed after January 1, 1978 and used primarily as a commercial parking facility for automobiles shall be heated. In-

cidental heating resulting from building exhaust air passing through a parking facility shall not be prohibited, provided that substantially all useful heat has previously been removed from the air.

Sec. 12. Minnesota Statutes 1976, Section 116H.126, is amended to read:

116H.126 [PUBLIC SCHOOL SURVEYS.] Before January 1, 1980, each school district shall complete a survey of all existing public school buildings which it owns or operates and which are heated by oil, gas, coal, or electric 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 116H.121. Buildings heated by oil or interruptable gas shall be surveyed first. The results of the energy conservation survey shall be recorded on a form furnished by the director. A school district may contract with any municipal building official appointed pursuant to section 16.861 or with the state building inspector to perform the energy conservation survey. Each school district shall estimate, based upon a formula specified by the director, the annual savings in fuel procurement costs for existing heating and cooling systems, which savings would be realized for each public school building within the district if it were improved to comply with the energy conservation standards.

Each school district shall file the energy conservation survey and estimated fuel procurement data for each *at least half the* public school building *buildings* within the district with the director before December 31, 1978, for his review and comment.

Sec. 13. Minnesota Statutes 1976, Section 116H.13, Subdivision 4, is amended to read:

Subd. 4. After promulgation of the criteria for assessment of need, any ~~utility, coal supplier or petroleum supplier~~ *person proposing to construct a large energy facility* shall apply for a certificate of need ~~to construct a new large energy~~ *prior to construction of the facility*. The application shall be on forms and in a manner established by the director. In reviewing each application the director shall hold at least one public hearing pursuant to chapter 15.

Sec. 14. Minnesota Statutes 1976, Section 126.111, is amended to read:

126.111 [ENVIRONMENTAL CONSERVATION EDUCATION.] *Subdivision 1.* The state department of education with the cooperation of the department of natural resources shall prepare an interdisciplinary program of instruction for elementary and secondary schools in the field of environmental conservation education. The program shall provide integrated approaches to environmental management consistent with socio-ecological principles, the production of appropriate curriculum materials and implementation in the public schools in the state.

Subd. 2. *The commissioner of education in consultation with*

the director of the energy agency shall prepare an interdisciplinary program in the field of energy sources, uses, conservation, and management. The first phase shall be an assessment of available curriculum materials, the amount and type of energy curriculum already being taught, and what needs to be developed to provide an integrated approach to energy education consistent with socio-economic and ecological principles. Subsequent phases shall include development of curriculum guidelines and materials and a plan for their implementation as funds become available.

Sec. 15. Minnesota Statutes 1976, 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 *the* standards, regulations rules or criteria prescribed by the Minnesota Pollution Control Agency, and must be installed or operated in accordance with a permit or order issued by that agency. The Minnesota Pollution Control Agency shall upon request of the commissioner furnish information or advice to the commissioner. If the commissioner determines that property

qualifies for exemption, he shall issue an order exempting such property from taxation. Any such equipment or device shall continue to be exempt from taxation as long as the permit issued by the Minnesota Pollution Control Agency remains in effect.

(16) The part of the value of real and personal property equipped with an energy supply or use system which includes a solar energy system as defined in section 116H.02, subdivision 11, 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. 16. Minnesota Statutes 1976, Section 290.06, Subdivision 9, is amended to read:

Subd. 9. (a) A credit of five percent of the net cost of equipment included in section 290.09, subdivision 7, paragraph (A), clause (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, and a credit of ten percent of the net cost of a solar collector subsystem, may be deducted from the tax due under this chapter in the first year in which the property is constructed or installed, or for which a depreciation deduction is allowed for the equipment. For the purpose of this subdivision "solar collector subsystem" shall mean the assembly for absorbing solar radiation, converting it into thermal energy, and transferring the thermal energy to a heat transfer medium. The credit allowed by this subdivision shall not exceed so much \$75,000 of the tax liability for tax for the that taxable year as does not exceed \$50,000. In the case of a solar collector subsystem, the credit shall apply only if the property meets or exceeds the standards promulgated pursuant to section 116H.127.

(b) If the amount of the credit determined under clause (a) for any taxable year for which a depreciation deduction is allowed exceeds the limitation provided by clause (a) for such the taxable year ~~hereinafter in~~, which for the purposes of this subdivision referred to shall be known as the "unused credit year", such, the excess shall be,

~~(1) a credit carryback to each if the three taxable years preceding the unused credit year, and~~

~~(2) a credit carryover to each of the seven four taxable years following the unused credit year.~~

The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the ten four taxable years to which ~~the~~, by reason of clauses (1) and (2) ~~such~~, the credit may be carried and then to each of the other nine three taxable years; provided, however, the maximum credit allowable in any one taxable year under this subdivision ~~the~~, including the credit allowable under clause (a) and the carryback or carryforward allowable under this paragraph ~~the~~, shall in no event exceed \$50,000 \$75,000.

(c) This subdivision shall apply to solar collector subsystems constructed or installed after December 31, 1976, and to other property acquired in taxable years beginning on or after January 1, 1969. The credits provided by this subdivision for the construction or installation of a solar collector subsystem shall expire for taxable years commencing after December 31, 1980.

Sec. 17. By December 31, 1977, the director of the energy agency, after consulting with the appropriate standing committees of the legislature, shall develop a comprehensive legislative proposal dealing with the legal, institutional, and financial issues surrounding solar energy use in Minnesota, including the creation and protection of sun rights, the modification of building codes, and the provision of reliable backup heating systems.

Sec. 18. The director of the energy agency in consultation with the director of the housing finance agency shall develop pamphlets and radio and television messages on the energy conservation and housing programs available in Minnesota. The pamphlets shall include information on available tax credits for residential energy conservation measures, residential retrofitting loan and grant programs, and data on the economics of energy conservation measures.

Sec. 19. [APPROPRIATIONS.] Subdivision 1. The sum of \$50,000 is appropriated from the general fund to the commissioner of administration for the purposes of sections 1 to 4 and 13 during the biennium beginning July 1, 1977.

Subd. 2. The following sums are appropriated from the general fund for the purposes of section 7 during the fiscal year beginning July 1, 1977:

Minnesota Energy Agency	\$159,433
State Planning Agency	28,034
Pollution Control Agency	36,050
Department of Natural Resources	29,742
Department of Transportation	16,741

Subd. 3. The sum of \$25,000 is appropriated from the general fund to the department of education for the purposes of section 14 during the biennium beginning July 1, 1977.

Subd. 4. The sum of \$25,000 is appropriated from the general fund to the director of the energy agency for the purpose of section 17 during the fiscal year beginning July 1, 1977. Notwithstanding Minnesota Statutes, Section 16A.28, or other law relating to the lapse of an appropriation, the appropriation made by this section shall continue until fully expended.

Subd. 5. The sum of \$225,000 is appropriated from the general fund to the director of the energy agency to be used for the purpose of section 18 during the biennium beginning July 1, 1977.

Sec. 20. Minnesota Statutes 1976, Sections 116H.12, Subdivision 10; 325.811; and 325.812 are repealed.

Sec. 21. *This act is effective the day following its final enactment; except that section 2, subdivision 2, is effective July 1, 1978.*"

Further, amend the title as follows:

Line 10, delete "sales"

Line 11, delete "and" and "providing a 20 percent"

Delete line 12

Line 13, delete "insulation;"

Line 21, delete "267.241, by adding a subdivision;"

Line 21, before "290.06," insert "and"

Line 22, delete ", and by adding a subdivision"

Delete line 23

Line 24, delete "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. Coleman from the Committee on Rules and Administration to which were referred

H. F. Nos. 1201, 1283 and 1310 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		SPECIAL ORDER	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1283	1426			1310	1422
1201	1435				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1201 be amended as follows:

Page 2, line 12, delete "a policy owner's"

Page 2, delete lines 13 to 19 and insert "policies or contracts issued prior to July 1, 1980 under which there is no unilateral right of the insurer to cancel, nonrenew, amend or change in any way, unless the policy or contract is amended or changed by mutual agreement of the parties. Sections 1 to 13 shall not apply to a new policy or contract written in language other than English."

Page 2, line 21, delete "this act" and insert "sections 1 to 13"

Page 2, line 28, delete "10" and insert "9"

Page 2, line 29, before "means" insert "or "policy" "

Page 2, line 30, delete "this act" and insert "sections 1 to 13"

Page 2, line 32, after "person" insert "or persons"

Page 3, line 2, delete the first "such" and insert "specified"

Page 3, line 2, delete the second "such" and insert "the"

Page 3, line 20, delete "11" and insert "10"

Page 3, line 21, delete "or second page" and insert "or first page of text"

Page 3, line 26, delete "7" and insert "6"

Page 4, lines 6 and 7, delete "they are found including, as applicable, but not limited to," and insert "may include"

Page 4, line 28, delete "such" and insert "the"

Page 5, lines 5 and 6, delete "7 to 9 of this act" and insert "6 to 8"

Page 5, lines 8 and 9, delete "section 6, subdivision 5 or"

Page 5, line 29, delete "section 6, subdivision 5 or"

Delete page 5, line 32 to page 6, line 4 and insert "shall by emergency rule establish a list of type face styles which he will approve as acceptable not later than January 1, 1978."

Page 6, lines 19 and 20, delete "section 6, subdivision 5 or"

Page 6, line 23, after "first" insert "or an insert"

Page 6, line 29, delete "including as applicable, but not limited to" and insert "which may include"

Page 8, lines 13 and 14, delete "clauses (1) and (2)" and insert "(i) and (ii)"

Page 8, line 32, delete "12" and insert "11"

Page 9, line 1, delete "such" and insert "the"

Page 9, line 2, delete "7 to 10" and insert "6 to 9" and delete "such" and insert "the"

Page 9, line 5, delete "such" and insert "the"

Page 9, line 12, delete "7 to 9" and insert "6 to 8"

Page 9, line 22, delete "7" and insert "6"

Page 9, line 24, delete "8" and insert "7"

Page 9, line 26, delete "9" and insert "8"

Page 9, line 29, delete "11" and insert "10"

Page 9, line 30, delete "automobile" and insert "private passenger vehicle"

Page 11, line 11, delete "such" and insert "the"

Page 11, line 17, delete "this act" and insert "sections 1 to 13"

Page 11, line 19, delete "such" and insert "those"

Renumber the sections in sequence

And when so amended, H. F. No. 1201 will be identical to S. F. No. 1435 and further recommends that H. F. No. 1201 be given its second reading and substituted for S. F. No. 1435 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1283 be amended as follows:

Page 2, line 7, delete "herein" and after "authorized" insert "by this chapter"

Page 2, line 8, delete "such"

Page 2, line 9, delete "as he" and insert "which the commissioner"

Page 2, line 10, delete "Such"

Page 2, line 14, delete "of"

Page 2, delete line 15 and insert "shall state this in communicating approval."

And when so amended, H. F. No. 1283 will be identical to S. F. No. 1426 and further recommends that H. F. No. 1283 be given its second reading and substituted for S. F. No. 1426 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1310 be amended as follows:

Page 10, line 16, after "body" insert a comma

Page 22, line 27, after "school" insert "(1) which operates on a nonprofit basis," and delete "(1)" and insert "(2)"

Page 22, line 28, delete "(2)" and insert "(3)"

Page 22, line 31, delete "(3)" and insert "(4)"

Page 36, delete lines 31 and 32

Page 37, delete lines 1 to 32

Page 38, delete lines 1 to 28

Page 39, line 9, after "or" insert "all the employees of" and delete "or" and insert "and the"

Page 40, line 32, delete "or" and insert "except"

Page 42, after line 16, insert:

"Sec. 17. Minnesota Statutes 1976, 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 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:

(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;

(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.

(3) [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) [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 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, lockout, 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 *at his primary place of employment* 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 this 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, provided such disqualification shall not apply if such individual is in training with the approval of the commissioner."

Pages 42, 43 and 44, delete Sec. 19

Page 46, line 27, delete the comma

Page 46, line 28, delete "16," and insert "18"

Page 46, line 29, delete "17, 20"

Page 46, line 29, delete "21" and insert "19"

Page 47, line 3, delete "18" and insert "16,"

Page 47, line 3, delete "22" and insert "20"

Page 47, line 4, delete "19 shall be" and insert "17 is"

Renumber the sections

Further amend the title as follows:

Delete line 10

Line 11, delete "of social security benefits;"

Line 17, delete "Subdivisions 3, 4, and" and insert "Subdivision"

Line 18, delete "3, as amended" and insert "1"

And when so amended, H. F. No. 1310 will be identical to S. F. No. 1422 and further recommends that H. F. No. 1310 be given its second reading and substituted for S. F. No. 1422 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. McCutcheon from the Committee on Taxes and Tax Laws, to which was referred

S. F. No. 1050: A bill for an act relating to taxation; clarifying definitions of "sale," "retail sale," "gross receipts," and "retailer"; specifying tax on food, meals, drinks, and lodging; restricting exemptions for sales of petroleum products and road building materials and for sales by charitable organizations, auctioneers, or brokers; requiring vendors to repay amounts refunded to purchasers; imposing liens and penalties; amending Minnesota Statutes 1976, Sections 297A.01, Subdivisions 3, 4, 9 and 10; 297A.14; 297A.25, Subdivision 1; 297A.35, Subdivision 1, and by adding a subdivision; 297A.39, Subdivision 3; 297A.40, Subdivision 2; repealing Minnesota Statutes 1976, Section 297A.25, Subdivision 4.

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

Pages 1 to 3, strike section 1

Page 10, line 20, after "by," insert "*a public hospital or*"

Page 10, strike lines 29 through 32

Page 11, strike lines 1 through 4

Page 11, line 5, strike "(iii)" and insert "(ii)"

Page 11, line 11, after "in" strike "*clauses*" and insert "*clause*" and after "(i)" strike "*and (ii) above;*"

Page 11, strike lines 12 through 16 except the semicolon

Page 12, after line 26, insert

"(x) *The gross receipts from the sale of admissions to square dance club dances.*"

Page 15, after line 5, insert:

"Sec. 11. Minnesota Statutes 1976, Section 297A.40, is amended by adding a subdivision to read:

Subd. 3. The lien created under this section shall become effective with respect to personal property from and after the date of filing by the commissioner of a notice of such lien describing the property to which the lien attaches in the office of the county recorder of the county in which the property is located and with the secretary of state."

Renumber the sections in sequence

Further amend the title:

Page 1, line 5, strike "of" and insert "to"

Page 1, strike line 6

Page 1, line 7, strike "for sales by"

Page 1, line 7, after "organizations," insert "and sales by"

Page 1, line 8, after "auctioneers" strike the comma

Page 1, line 11, after "Subdivisions" strike "3,"

Page 1, line 14, after "Subdivision 2" insert ", and by adding a subdivision"

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

Mr. McCutcheon from the Committee on Taxes and Tax Laws, to which was re-referred

H. F. No. 585: A bill for an act relating to taxation; altering definitions of "income" for senior citizen's property tax freeze purposes; "taxes", "alimony" and "investment company" for income tax purposes; allowing commissioner of revenue to disregard small amounts due or penalties and to require withholding of delinquent taxes by employees; providing for tax lien on personal property; amending Minnesota Statutes 1976, Sections 273.012, Subdivision 3; 290.06, Subdivision 2c; 290.09, Subdivisions 4 and 14; 290.21, Subdivision 3; 290.36; 290.54; 290.92, by adding a subdivision; 290.934, Subdivision 5; and 290A.06.

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

Page 10, after line 15, insert:

"The lien created under this section shall become effective with respect to personal property from and after the date of filing by the commissioner of a notice of such lien describing the property to which the lien attaches in the office of the county recorder of the county in which the property is located and with the secretary of state."

Page 10, line 29, after the period insert *"The commissioner can proceed under this subdivision only if the tax is uncontested or if the time for appeal of the tax has expired."*

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

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

H. F. No. 411: A bill for an act relating to the city of Columbia Heights police department relief association; membership therein; benefits and contributions; membership of certain police personnel in the public employees' police and fire fund.

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

Page 33, after line 15, insert:

"Sec. 38. Laws 1975, Chapter 424, Section 9, is amended to read:

Sec. 9. [COLUMBIA HEIGHTS, CITY OF; RETIREMENT BENEFITS FOR FIREFIGHTERS.] As used in sections 6, 7, and 8, a "unit" shall be one-eightieth of the monthly salary of a first grade fireman firefighter as established from time to time. *In the event that there is no longer a paid first grade firefighter on the payroll of the city of Columbia Heights, then and in that event a "unit" shall be one-eightieth of the monthly salary of a first grade firefighter or a firefighter of an equivalent grade to a first grade firefighter, performing similar duties as performed by a first grade firefighter of the city of Columbia Heights, in a city located within the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington having approximately the same population as the city of Columbia Heights and having a paid firefighter's department. The board of trustees of the paid division, or the trustee as provided in section 58 of this act, and the city council of the city of Columbia Heights shall jointly determine which city shall qualify for purposes of determining the monthly salary upon which a "unit" is based. In the event no city maintains a paid firefighter's department, or if the determination of which city qualifies is unable to be agreed upon by the parties, then and in that event a unit shall be one-eightieth of the monthly salary of a top patrolman of the police department of the city of Columbia Heights, said monthly salary adjusted by an amount equal to the percentage difference in monthly salaries between a top patrolman's monthly salary and a first grade firefighter's monthly salary, as of the date that a paid firefighter was last enrolled on the payroll of the city of Columbia Heights. Provided that in all events the adjustment of the "unit" caused by a change in the salary of a first grade firefighter or his equivalent, as provided in this section, shall be made at the end of every calendar year. In computing retirement or disability benefits of a member pursuant to section 6 or 7, a member shall be entitled to service credit for service as a volunteer fireman firefighter on the basis of one year service credit for each three years service as a volunteer, with proportionate credit for lesser periods of service.*

For purposes of this section the term "monthly salary of a first grade firefighter" shall mean the salary of a non-ranked firefighter on the payroll of the city of Columbia Heights paid for work performed during one "work week", as defined in Article III, 3.12 of the labor agreement between the city of Columbia Heights and

the International Association of Firefighters Local No. 1216 in effect on the effective date of this act multiplied by a factor of 4.3. Such monthly salary shall exclude all overtime and call-out pay, hospitalization and insurance pay, education incentive and inspector allotment pay and payment for uniforms. A ranked firefighter includes: captain, chief and assistant chief of the Columbia Heights fire department.

Sec. 39. [COLUMBIA HEIGHTS, CITY OF; FIREFIGHTERS SERVICE PENSIONS.] *The Columbia Heights fire department relief association is separated into two divisions. One division shall be for the benefit of paid firefighters, first employed by the city of Columbia Heights, on or prior to December 31, 1974. This division shall be known as the "Columbia Heights fire department relief association, paid division" hereinafter referred to as "paid division". "Paid firefighter" means a person regularly entered onto the payroll of the fire department of the city as a paid full time regular firefighter serving on active duty. The other division shall be known as the "Columbia Heights fire department relief association, volunteer division" hereinafter referred to as the "volunteer division", which division shall include all volunteer firefighters, hereinafter called "volunteers", of the city. Volunteers shall be persons who are not regularly entered on the full time payroll of the fire department of the city, but who regularly comply with such rules as may be prescribed by the public safety director or fire chief of the city upon delegation by the city council to such public safety director or fire chief of the right to prescribe rules for service by volunteers with the fire department of the city, and who by reason of their status as such volunteers are engaged in the hazards of fire fighting.*

Sec. 40. *Sections 38 to 60 shall not affect any pensions or other benefits which have been allowed or which are being paid by the Columbia Heights fire department relief association under or in accordance with any prior law in effect on the date these sections become effective. Payment of pensions and benefits shall be continued by the association, subject only to the provisions of sections 38 to 60. When every member of the volunteer division is deceased, the funds of such division shall become a trust fund managed for the benefit of the beneficiaries of such fund. In the event the city council shall abolish the volunteer branch of its fire department, any surplus remaining in the account of the special fund of the volunteer division after discharging all obligations to all members and other beneficiaries of the volunteer division shall be paid into the general treasury of the city of Columbia Heights. In the event the paid division is terminated by attrition or any other reason, any surplus remaining in the account of the special fund of the paid division after discharging all obligations shall be paid into the general treasury of the city. Upon the effective date of sections 38 to 60, the funds of the Columbia Heights fire department relief association may be allocated by three-fifths vote of the city council to the respective accounts of the special funds of each division of the relief association.*

Sec. 41. *The governing body of the Columbia Heights fire department relief association volunteer division shall consist of a board of trustees composed of the members of the Columbia Heights city council. The city manager, clerk-treasurer, chief of the fire department and the public safety director of the city shall be ex-officio members of the board of trustees. The ex-officio members shall not vote, nor shall they regulate the management or affairs of the division except as provided herein. The board of trustees of the volunteer division shall have the exclusive control and management of all affairs, property, and funds of the volunteer division from whatever source received for the benefit of the volunteer division special fund and shall have authority to carry out the objects and purposes of the volunteer division as set forth in sections 38 to 60.*

The city clerk-treasurer and city finance director may, in the discretion of the board of trustees, be appointed the sole investment agent of the volunteer division special fund or may be appointed agent or agents jointly with other individuals or corporations.

The board of trustees of the volunteer division shall investigate and act upon all applications for disability and service pensions and all other claims for relief by or on behalf of members of the division or their beneficiaries. The board of trustees of the volunteer division shall select a competent physician who shall advise the board in its investigations. The physician shall not have a vote on the board.

Sec. 42. *The mayor of the city of Columbia Heights shall be designated the president of the volunteer division's board of trustees and shall preside at all meetings of the board, provided, that in the mayor's absence the members of the city council who are present shall elect one council member as temporary presiding officer. The mayor shall have general supervision over the volunteer division and its affairs.*

The city treasurer or finance director shall from time to time collect from the city of Columbia Heights and from the county of Anoka all funds derived from taxes levied by the city for the benefit of the special fund of the division and the interest from the investment thereof. He shall also collect from the state of Minnesota all funds and interest thereon derived from levies imposed and collected by the state for the benefit of the volunteer division on fire insurance premiums collected within the corporate limits of the city. He shall further receive and collect all funds derived from private sources specifically for the benefit of the volunteer division special fund. Such funds shall be transmitted to the division's board of trustees for investment.

Sec. 43. *The volunteer division may adopt bylaws not in conflict with this act. The board of examiners shall be the representative of the volunteer division membership at any meeting with the volunteer division board of trustees. Members of the board of examiners shall act as advisors to the board of trustees but shall not have a vote in any matters coming before the board.*

Sec. 44. *Special meetings between the board of examiners and the board of trustees of the volunteer division shall be held in the Columbia Heights city council chambers and may be called at any time by the board of examiners upon the written request of any member of the board of examiners, upon written request of at least 30 percent of the members of such division or upon written request of the president of the board of trustees. A request shall be delivered to the Columbia Heights city manager and shall include the agenda for the meeting and the time and date of the meeting. It shall be the duty of the city manager to give all active and retired members of the volunteer division, members of the board of trustees and ex-officio members of the board of trustees 48 hours written notice of the special meeting. The notice shall include the agenda for the meeting and the time and date of the meeting. No business shall be transacted at any special meeting except business stated in the notice. Notices mailed by U. S. mail to the last known address of each active and retired volunteer division member and to each member of the volunteer division board of trustees including ex-officio members shall be sufficient to satisfy the requirements of this section provided the notices are posted no later than the fifth day prior to the meeting, not including Sunday or holidays.*

A special meeting between the board of trustees and the board of examiners of the volunteer division shall be called no later than 15 days subsequent to the date the city manager receives written request for such meeting including the agenda for the meeting and the time and date of the meeting.

A special meeting of the volunteer division membership shall be called no later than 15 days subsequent to the date the city manager receives a written request for such meeting, including the agenda for such meeting and setting the time, date and place for such meeting, signed by at least 20 percent of the membership of such division. Meetings of the volunteer division membership shall be held at the place designated in the written request for the meeting but in any case shall be held either at the Columbia Heights fire department or at the city council chambers.

Sec. 45. *The account in the special fund for the benefit of members of the Columbia Heights fire department relief association who are volunteers shall be continued and shall be designated the Columbia Heights fire department relief association volunteer division special fund and the special fund for the benefit of the members of the Columbia Heights fire department relief association who are paid firemen shall continue and shall be designated the Columbia Heights fire department relief association paid division special fund. The funds received by either division of the Columbia Heights fire department relief association from dues, fines, initiation fees, and entertainments shall be kept in a fund called the general fund and may be disbursed upon a majority vote of all members of the association for any purposes authorized by the articles of incorporation and bylaws of both divisions of the association. All moneys received by the association which are derived from payroll deductions from paid division members' salaries*

shall be paid into the account of the paid division special fund for the benefit of the paid firemen only. Funds received from all other sources may be allocated between the paid division special fund and the volunteer division special fund in such proportions as shall be designated from time to time by three-fifths vote of the Columbia Heights city council. State aid funds for fire relief associations received by the city pursuant to Minnesota Statutes, Chapter 69, and taxes collected may be transferred to the Columbia Heights fire department relief association in accordance with the provisions of chapter 69 or retained in whole or in part by the city as a portion of the required employer's pension contribution for firefighters who are members of the public employees' police and fire fund.

Sec. 46. The volunteer division, the city of Columbia Heights, and the officers of each, are authorized to do all things required by sections 38 to 60 and the Volunteer Firemen's Relief Association Guidelines Act of 1971, as a condition for the use of public funds or the levy of taxes for the support of the volunteer division.

Sec. 47. The minimum obligation of the city of Columbia Heights to the Columbia Heights fire department relief association shall be determined by the applicable provisions of Minnesota Statutes, Chapter 69, except that the normal cost of the paid division special fund shall be computed as a percentage of the salary paid only to members of the paid division.

Sec. 48. Commencing in the year 1980, in addition to the minimum obligation required by Minnesota Statutes, Chapter 69, the city of Columbia Heights shall provide additional financing to the Columbia Heights fire department relief association sufficient to amortize by the year 2010 the fund deficits as determined in accordance with the applicable provisions of Minnesota Statutes, Chapter 69. For the purpose of providing the financial requirements of sections 38 to 60, the city may levy taxes for the payment thereof without limitation as to rate or amount, notwithstanding any city charter limitation or any law to the contrary. The levy of such taxes shall not cause the amount of other tax levies of the city to be reduced in any amount. The city shall provide in its annual budget for the financial requirements of sections 38 to 60.

Sec. 49. Except as provided by sections 38 to 40 by specific enactment of the legislature or by charter amendment to the charter of the city of Columbia Heights, no relief association shall be established in the city to provide benefits for firefighters. No person who is a member of the Columbia Heights fire department relief association paid division shall be a member of the public employees retirement association. Provided, however, a volunteer firefighter who is a full time employee of some other department or agency of the city of Columbia Heights, the state of Minnesota, or of some other political subdivision of the state, may be a member of the public employees retirement association.

Sec. 50. Subdivision 1. Notwithstanding any provision of the law to the contrary, the bylaws of the Columbia Heights fire department relief association volunteer division may provide that

the service pension payable to a retired volunteer firefighter, age 50 years or more with 20 years of service, shall be in the amount of not more than \$150 per month, hereinafter referred to as the "base service pension", plus an additional \$3 per month for each year of service in excess of 20 years to a maximum of \$180 per month. The base service pension as of the effective date of sections 38 to 60 shall be in the amount of \$150 per month.

Subd. 2. Notwithstanding any provision of law to the contrary, the bylaws of the Columbia Heights fire department relief association volunteer division may provide, upon consent, approval and ratification by written resolution of the Columbia Heights city council by a four-fifths vote for (1) early retirement benefits after ten years service in good standing, (2) surviving spouse and/or minor child or children benefits and/or (3) disability benefits for volunteers provided that any such benefits do not exceed 50 percent of \$180 per month per member or per such member's spouse and children.

Subd. 3. Notwithstanding any provision of the law to the contrary, the bylaws of the Columbia Heights fire department relief association volunteer division may provide that the estate of each volunteer shall be given a payment of \$1,000 for funeral benefits upon the death of the volunteer regardless of date or cause of death. No payment shall be made pursuant to this subdivision unless the volunteer is a member in good standing of the volunteer division or has retired as a member in good standing of the division.

Subd. 4. The city of Columbia heights shall not reduce benefits provided in this act to volunteers unless a majority of the active and retired volunteers who are eligible to receive such benefits request such reduction in writing to the Columbia Heights city council.

Sec. 51. The Columbia Heights city council may provide for an increase in benefits paid to members of the paid division or to members of the volunteer division without further special or general legislation by the state, provided the action by the city council complies with the provisions of sections 38 to 60. The city council may increase or decrease the benefits paid to members of the paid division only by increasing or decreasing the monthly salary of a first grade firefighter pursuant to the provisions of Laws 1975, Chapter 424, Section 9. Nothing in sections 38 to 60 shall be construed to give authorization to the city council to increase or decrease benefits of members of the paid division by increasing or decreasing the number or value of "units" as defined in Laws 1975, Chapter 424, for periods of service in the fire department, nor shall the city council be authorized to change the definition of a "unit" or "units".

The city council shall not provide for any increase in the benefits paid to the members of the volunteer division unless the city council shall first have obtained and given consideration to an actuarial survey, which survey shall use the actuarial assumptions provided in Minnesota Statutes, Chapter 69. The city council shall make written findings stating that based upon such actuarial

survey, such increase in benefits to members of the volunteer division and such increase in funding of the volunteer division special fund, if necessary, shall not create a deficit in the volunteer division special fund, the amortization of which, together with the amortization of any existing deficit in the volunteer division special fund, exceeds 20 years from the date such increase in benefits is authorized.

It shall be unlawful for the city of Columbia Heights to contribute any public funds, or to levy taxes for any such increase in benefits paid to members of the paid division or to members of the volunteer division, as the case may be, unless the city council has first complied with the provisions of sections 50 and 51.

Sec. 52. Minnesota Statutes, Section 69.021 shall specifically apply to the city of Columbia Heights and to the Columbia Heights fire department relief association.

Sec. 53. The Columbia Heights city clerk, when the state aid and tax collected is received by him, shall within five days transmit the payments to the city treasurer or city finance director who shall within 25 days of receipt by him pay over such amount to the board of trustees of each division of the Columbia Heights fire department relief association as such amount of state aid and tax is apportioned to each such division from time to time by three-fifths vote of the Columbia Heights city council.

Sec. 54. For the purpose of computation of service requirements in connection with payment of any pensions or other benefits provided by sections 38 to 60, service of volunteers who were members of the Columbia Heights fire department relief association prior to the date sections 38 to 60 become effective and service of all paid firefighters shall be taken into account on the same basis as though sections 38 to 60 were in existence during all the time such service was rendered.

Sec. 55. Sections 38 to 60 shall become effective upon approval by the Columbia Heights city council and upon compliance with the provisions of Minnesota Statutes, Section 645.021.

Sec. 56. Notwithstanding any other law to the contrary, the governing body of the paid division shall be composed of a board of trustees. The board of trustees shall consist of six active paid firefighters, except as otherwise provided herein. The officers of the board of trustees shall be a president, one or more vice presidents, a secretary, a treasurer, assistant secretary, and assistant treasurer. Each officer shall be elected by the members of the paid division including retired, disabled, whether permanently or temporarily, and active members. Nothing contained herein shall prevent a temporarily disabled active member from being elected or continuing as an officer of the board of trustees. In the event there are not six active members, or temporarily disabled active members, to fill the required six offices, the number of required offices shall be reduced to the number of active or temporarily disabled active members available.

Provided in no event shall said board of trustees consist of less

than two officers, and said officers shall be a president and a secretary-treasurer.

In the event there are not enough active or temporarily disabled active members to act as a board of trustees, the paid division shall be governed as provided in section 58.

Sec. 57. The affairs of the paid division shall be managed by the board of trustees in the manner prescribed by law and the board of trustees of the paid division shall have exclusive control and management of all funds allocated to it under applicable law and received by its treasurer, including the funds derived under the provisions of Minnesota Statutes, Sections 424.30 and 424.31, funds derived from the state of Minnesota, and all moneys or property donated, given, granted, or devised for the benefit of the paid division special fund; and such funds when received shall be kept in a separate account in the special fund account of the paid division and never disbursed for any purposes except the following:

(1) For the relief of sick, injured, and disabled members of the paid division;

(2) For the payment of pensions to disabled firefighters and the surviving spouses and orphans of firefighters who are members of the paid division;

(3) For the payment of pensions to retired firefighters of the paid division;

(4) For the payment of the fees, dues, and assessments in the Minnesota state fire department association, so as to entitle the members of the paid division to membership in and benefits of such state association;

(5) For the payment of funeral benefits, if so provided in the division's bylaws, and subject to the following requirements and limitations:

(a) The decedent must have died while serving as an active duty member of the paid division,

(b) The decedent must have completed a period or periods of service equal to 20 years or more,

(c) The decedent must have died without a surviving spouse or minor child entitled to benefits from the Columbia Heights fire department relief association;

In no event shall the funeral benefit exceed the lesser of:

(i) The actual unreimbursed expenses incurred by the estate or representative, or

(ii) \$2,000.

(6) For the payment of necessary expenses of administering such fund.

In the event that there are not enough paid members avail-

able to act as a board of trustees, funds shall be paid to a trustee, as provided in section 58, for the benefit of the beneficiaries of such funds and for purposes consistent with clauses (1) through (6).

The relief association may invest its funds in such income paying properties and securities as the city council shall from time to time authorize. Benefits shall in all cases be within the limits authorized by state law and in accordance with the articles of incorporation and bylaws of the association.

Sec. 58. In the event the paid division board of trustees ceases to exist as provided in section 56, the existing funds of the division, and all funds the division would have been entitled to, had it continued to exist, shall be paid to a federally insured banking institution chartered by the state of Minnesota or by the United States as trustee for the beneficiaries and shall be managed for the benefit of the beneficiaries of such funds as provided in Laws 1965, Chapter 605, Sections 20, 21, 22, 23, 24, 25 and 26, as amended by Laws 1975, Chapter 424, Sections 6, 7, 8 and 9, and sections 38 to 60. When the trustee determines that there are no longer any persons entitled to benefits, the trustee shall pay all remaining funds to the general fund of the city of Columbia Heights, and the trust shall terminate.

Notwithstanding the provisions of any other law to the contrary, the trustee of the paid division shall have all the powers and duties that the board of trustees of the paid division would have had if said board would have continued to manage and administer the affairs of the paid division.

Sec. 59. The board of trustees of the paid division of the Columbia Heights fire department relief association, or the trustee acting in its place as provided in section 58, shall have full and permanent charge of and the responsibility for the proper management and control of its special fund.

Sec. 60. [REPEALER.] Laws 1965, Chapter 605, Section 6; and Laws 1975, Chapter 424, Section 3, are repealed.

Renumber the remaining section.

Underline all new language in the bill.

Further, amend the title as follows:

Page 1, line 2, after "Heights" insert "providing for"

Page 1, line 6, after "fund" insert "; providing for administration and benefits of the Columbia Heights firemen's relief association; amending Laws 1975, Chapter 424, Section 9; repealing Laws 1965, Chapter 605, Section 6; and Laws 1975, Chapter 424, Section 3"

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

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred

S. F. Nos. 266, 801, 418, 1238, 1214, 1027, 759, 793, 1394, 1015, 811, 1236, 809, 448, 472, 126, 979, 1134, 899 and

H. F. Nos. 902, 456, 611, 1259, 1223, 460, 106, 315, 45, 536, 993, 1155, 157, 1113 and 462 makes the following report:

That S. F. Nos. 266, 801, 418, 1238, 1214, 1027, 759, 793, 1394, 1015, 811, 1236, 809, 448, 472, 126, 979, 899 and H. F. Nos. 902, 611, 1259, 1223, 460, 106, 315, 45, 536, 993, 1155, 157, 1113 and 462 be placed on the General Orders Calendar.

That S. F. No. 1134 and H. F. No. 456 are being retained in the subcommittee.

That there were no other bills before the subcommittee on which floor action was requested. Report adopted.

SECOND READING OF SENATE BILLS

S. F. No. 1050 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1201, 1283 and 1310 were read the second time.

H. F. Nos. 585 and 411 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Hughes moved that H. F. No. 613 be withdrawn from the Committee on Governmental Operations and re-referred to the Committee on Finance. The motion prevailed.

Mr. Menning moved that the Senate Conferees on S. F. No. 932 be discharged and that a new conference committee of three members be appointed by the Subcommittee 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. Coleman moved that the Senate do now adjourn until 2:15 o'clock p.m., Friday, May 13, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FIFTY-FOURTH DAY

St. Paul, Minnesota, Friday, May 13, 1977

The Senate met at 2:15 o'clock p.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	Dieterich	Kleinbaum	Penny	Strand
Ashbach	Frederick	Knoll	Perpich	Stumpf
Bang	Gearty	Laufenburger	Pillsbury	Tennessee
Benedict	Gunderson	Lewis	Purfeerst	Ulland, J.
Bernhagen	Hanson	Menning	Schaaf	Wegener
Borden	Hughes	Merriam	Schmitz	Willet
Brataas	Humphrey	Moe	Sieloff	
Chmielewski	Johnson	Nelson	Sikorski	
Coleman	Keefe, S.	Olhoft	Sillers	
Davies	Kirchner	Olson	Stokowski	

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

Prayer was offered by the Chaplain, Peter Velander.

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

Anderson	Frederick	Knutson	Olson	Solon
Ashbach	Gearty	Laufenburger	Penny	Spear
Bang	Gunderson	Lessard	Perpich	Staples
Benedict	Hanson	Lewis	Peterson	Stokowski
Bernhagen	Hughes	Luther	Pillsbury	Strand
Borden	Humphrey	McCutcheon	Purfeerst	Stumpf
Brataas	Jensen	Menning	Renneke	Tennessee
Chmielewski	Johnson	Merriam	Schaaf	Ueland, A.
Coleman	Keefe, J.	Milton	Schmitz	Ulland, J.
Davies	Keefe, S.	Moe	Setzepfandt	Vega
Dieterich	Kirchner	Nelson	Sieloff	Wegener
Dunn	Kleinbaum	Ogdahl	Sikorski	Willet
Engler	Knoll	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. Chenoweth, Nichols and Schrom were excused from the

Session of today. Mr. McCutcheon was excused from the Session of today at 5:00 o'clock p.m. Mr. Pillsbury was excused from the Session of today at 5:30 o'clock p.m. Mr. Bernhagen was excused from the Session of today at 7:00 o'clock p.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 10, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

On May 9, 1977 the Subcommittee on Committees of the Senate met and by appropriate action made the following appointments.

Pursuant to the Permanent Rules of the Senate—Rule 75
Special Committee on Ethical Conduct

Messrs. Willet, Chairman; McCutcheon; Sieloff and Kirchner

Respectfully submitted,

Nicholas D. Coleman
Chairman
Subcommittee on Committees

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. 368, 541, 562, 968 and 1064.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1977

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. 226 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 226: A bill for an act relating to minimum wage; providing a higher minimum wage; amending Minnesota Statutes 1976, Section 177.24.

Senate File No. 226 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1977

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. 603: A bill for an act relating to the public service commission; confining appeals from its decisions to the record; allowing the commission to appeal adverse decisions of the district court to the supreme court; amending Minnesota Statutes 1976, Section 216.25.

Senate File No. 603 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1977

CONCURRENCE AND REPASSAGE

Mr. Luther moved that the Senate concur in the amendments by the House to S. F. No. 603 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 603: A bill for an act relating to the public service commission; confining appeals from its decisions to the record; allowing the commission to appeal adverse decisions of the district court to the supreme court; allowing appeals from denial of a hearing; amending Minnesota Statutes 1976, Section 216.25; and Chapter 216 by adding a section.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 59 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Penny	Spear
Ashbach	Gearty	Laufenburger	Perpich	Staples
Bang	Gunderson	Lessard	Pillsbury	Stokowski
Benedict	Hanson	Lewis	Purfeerst	Strand
Bernhagen	Hughes	Luther	Renneke	Stumpf
Borden	Humphrey	Merriam	Schaaf	Tennessee
Brataas	Jensen	Milton	Schmitz	Ueland, A.
Chmielewski	Johnson	Moe	Setzepfandt	Ulland, J.
Davies	Keefe, J.	Nelson	Sieloff	Vega
Dieterich	Keefe, S.	Ogdahl	Sikorski	Wegener
Dunn	Kirchner	Olhoft	Sillers	Willet
Engler	Kleinbaum	Olson	Solon	

Mr. McCutcheon 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. 766: A bill for an act relating to crimes; public safety and health; dangerous weapons; short-barreled shotguns; providing penalties; amending Minnesota Statutes 1976, Chapter 609, by adding a section.

Senate File No. 766 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1977

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 766 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 766: A bill for an act relating to crimes; public safety and health; dangerous weapons; short-barreled shotguns; providing penalties; amending Minnesota Statutes 1976, Section 609.67.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Penny	Solon
Ashbach	Gearty	Lewis	Perpich	Spear
Bang	Gunderson	Luther	Peterson	Staples
Benedict	Hanson	McCutcheon	Pillsbury	Stokowski
Bernhagen	Hughes	Menning	Purfeerst	Strand
Borden	Humphrey	Merriam	Renneke	Stumpf
Brataas	Jensen	Milton	Schaaf	Tennessee
Chmielewski	Johnson	Moe	Schmitz	Ueland, A.
Davies	Keefe, J.	Nelson	Setzepfandt	Ulland, J.
Dieterich	Kirchner	Ogdahl	Sieloff	Vega
Dunn	Kleinbaum	Olhoft	Sikorski	Wegener
Engler	Knutson	Olson	Sillers	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. 977: A bill for an act relating to marriage; requiring certain information to be included on an application for a marriage license; amending Minnesota Statutes 1976, Sections 517.08, Subdivision 1; and 517.10.

Senate File No. 977 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1977

Mr. Olson moved that the Senate do not concur in the amendments by the House to S. F. No. 977 and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 181: A bill for an act relating to retirement; increasing the size of the boards of trustees of the public employees retirement association, Minnesota state retirement system, teachers retirement system and Minneapolis municipal employees retirement board; providing for election processes; survivor benefits for deceased legislators; making miscellaneous changes in the public employees retirement association provisions; amending Minnesota Statutes 1976, Sections 3A.04, Subdivision 1, and by adding a subdivision; 352.03, Subdivisions 1, 2, and by adding a subdivision; 353.01, Subdivisions 2a, 2b, 6, 15, and 20; 353.03, Subdivision 1; 353.27, Subdivision 4; 353.29, Subdivisions 4 and 8; 353.31, Subdivision 8; 353.32, Subdivision 7; 353.33, Subdivisions 1, 9 and 11; 353.36, Subdivision 2; 353.37; 353.46, by adding a subdivision; and 353.651, Subdivision 3; 354.05, by adding a subdivision; 354.06, Subdivision 1; 422A.02; and 422A.03, Subdivision 1; repealing Minnesota Statutes 1976, Sections 353.016; 353.018; 353.019; 353.03, Subdivision 2a; 353.31, Subdivision 11; 353.36, Subdivision 2d; 353.46, Subdivision 3; and 353.64, Subdivision 5.

Senate File No. 181 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1977

Mr. Stokowski moved that the Senate do not concur in the amendments by the House to S. F. No. 181 and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 1172: A bill for an act relating to administrative procedures of governmental agencies; adding metropolitan and capitol area agencies under the coverage of the administrative procedure act; limiting rule-making authority and obligations; permitting incorporation by reference; requiring completion of hearing examiner reports within a specified period; permitting an agency to appeal adverse district court decisions; providing copies of the state register for public libraries; providing for subpoenas and reporters; amending Minnesota Statutes 1976, Sections 15.0411, Subdivision 2; 15.0412; 15.0413, Subdivision 3; 15.0417; 15.0426; 15.048; 15.051, Subdivision 4; 15.052, Subdivisions 4 and 5; and 15.42.

Senate File No. 1172 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1977

Mr. Borden moved that the Senate do not concur in the amendments by the House to S. F. No. 1172 and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 1077: A bill for an act relating to the organization and operation of state government; creating a crime control planning board to supersede the governor's commission on crime prevention and control; requiring a statewide comprehensive plan for law enforcement and criminal justice administration; empowering the board to make grants to governmental agencies; designating the board as the state planning agency for purposes of federal legislation; prescribing other powers and duties; requiring annual reports; creating regional crime control advisory councils; requiring the preparation of regional plans; appropriating money.

Senate File No. 1077 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1977

CONCURRENCE AND REPASSAGE

Mr. Borden moved that the Senate concur in the amendments

by the House to S. F. No. 1077 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1077: A bill for an act relating to the organization and operation of state government; creating a crime control planning board to supersede the governor's commission on crime prevention and control; requiring a statewide comprehensive plan for law enforcement and criminal justice administration; empowering the board to make grants to governmental agencies; designating the board as the state planning agency for purposes of federal legislation; prescribing other powers and duties; requiring annual reports; creating regional crime control advisory councils; requiring the preparation of regional plans.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Penny	Spear
Ashbach	Gunderson	Lessard	Perpich	Staples
Bang	Hanson	Lewis	Peterson	Stokowski
Benedict	Hughes	Luther	Pillsbury	Strand
Bernhagen	Humphrey	McCutcheon	Purfeerst	Stumpf
Borden	Jensen	Menning	Renneke	Tennessee
Brataas	Johnson	Merriam	Schaaf	Ueland, A.
Chmielewski	Keefe, J.	Milton	Schmitz	Vega
Davies	Keefe, S.	Moe	Setzepfandt	Wegener
Dieterich	Kirchner	Nelson	Sieloff	Willet
Dunn	Kleinbaum	Ogdahl	Sikorski	
Engler	Knoll	Olhoft	Sillers	
Frederick	Knutson	Olson	Solon	

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. 796: A bill for an act relating to health; prohibiting the operation of professional nursing business without a license; amending Minnesota Statutes 1976, Sections 148.271; 148.281, by adding a subdivision; and 319A.02, Subdivision 2.

Senate File No. 796 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1977

CONCURRENCE AND REPASSAGE

Mr. Laufenburger moved that the Senate concur in the amendments by the House to S. F. No. 796 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 796: A bill for an act relating to health; relating to unlicensed nursing practices; prohibiting the operation of professional nursing business without a license; amending Minnesota Statutes 1976, Sections 148.271; 148.281, by adding a subdivision; and 319A.02, Subdivision 2.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Laufenburger	Olson	Sillers
Bang	Hanson	Lessard	Penny	Solon
Benedict	Hughes	Lewis	Perpich	Spear
Bernhagen	Humphrey	Luther	Peterson	Staples
Borden	Jensen	McCutcheon	Pillsbury	Stokowski
Brataas	Johnson	Menning	Purfeerst	Strand
Chmielewski	Keefe, J.	Merriam	Renneke	Stumpf
Davies	Keefe, S.	Milton	Schaaf	Tennessee
Dunn	Kirchner	Moe	Schmitz	Ueland, A.
Engler	Kleinbaum	Nelson	Setzepfandt	Vega
Frederick	Knoll	Ogdahl	Sieloff	Wegener
Gearly	Knutson	Olhoft	Sikorski	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. 274: A bill for an act relating to natural resources; authorizing additions to and deletions from certain state parks; authorizing land acquisition in relation thereto; amending Laws 1945, Chapter 484, Section 1, as amended.

Senate File No. 274 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1977

Mr. Perpich moved that the Senate do not concur in the amendments by the House to S. F. No. 274 and that a Conference Committee of 3 members be appointed by the Subcommittee 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 that the House refuses to concur in the Senate amendments to House File No. 1610.

H. F. No. 1610: A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and for other purposes; amending Minnesota Statutes 1976, Sections 161.125, Subdivision 1; 219.40; and 299D.03, Subdivision 5; repealing Minnesota Statutes 1976, Sections 161.125, Subdivision 2; 161.50; 219.401; and 299D.03, Subdivision 4.

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

Kahn; Voss; Petrafeso; Anderson, D. and Corbid have been appointed as such committee on the part of the House.

House File No. 1610 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 May 12, 1977

Mr. Moe moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1610, and that a Conference Committee of 5 members be appointed by the Subcommittee 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. 801.

H. F. No. 801: A bill for an act relating to crimes; specifying certain acts which constitute theft in relation to cable television services and systems; providing penalties; amending Minnesota Statutes 1976, Section 609.52, Subdivision 2; and Chapter 609, by adding a section.

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

Cohen, Dean and Pehler have been appointed as such committee on the part of the House.

House File No. 801 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 May 12, 1977

Mr. Stokowski moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 801, and that

a Conference Committee of 3 members be appointed by the Subcommittee 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. 583: A bill for an act relating to insurance companies; prescribing penalties for violation of certain filing requirements; amending Minnesota Statutes 1976, Chapter 72A, by adding a section; repealing Minnesota Statutes 1976, Section 72A.06.

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

Nelsen, M.; Abeln and Heinitz.

Senate File No. 583 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1977

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. 231 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 231: A bill for an act relating to transportation, particular uses of highway right of way; amending Minnesota Statutes 1976, Section 160.27, Subdivision 2.

Senate File No. 231 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 12, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 231

A bill for an act relating to transportation, particular uses of highway right of way; amending Minnesota Statutes 1976, Section 160.27, Subdivision 2.

May 11, 1977

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

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 231 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment, and H. F. No. 231 be further amended as follows:

Page 1, line 9, delete the first “,” and insert “and”

Page 1, line 9, delete “, AND TRASH RECEPTACLE”

Page 1, line 10, delete “UNITS”

Page 1, line 11, reinstate the stricken “and” and delete the first “,”

Page 1, line 11, delete “, and trash receptacle units”

Page 1, line 17, delete the first “,” and insert “and”

Page 1, line 17, delete “, and trash receptacle units”

Page 1, line 18, before the period insert “, provided that advertising on shelters shall be limited to one-third of the vertical surface of the shelter”

Further amend the title as follows:

Line 2, delete “,” and insert “;”

Line 3, after “;” insert “permitting advertising on bus shelters;”

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

House Conferees: (Signed) Tad Jude, Stanley Fudro, Richard Wigley

Senate Conferees: (Signed) Robert Lewis, Clarence Purfeerst, Howard Knutson

Mr. Lewis moved that the foregoing recommendations and Conference Committee Report on H. F. No. 231 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. 231: A bill for an act relating to transportation, particular uses of highway right of way; amending Minnesota Statutes 1976, Section 160.27, Subdivision 2.

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

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

The roll was called, and there were yeas 48 and nays 8, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Kleinbaum	Perpich	Staples
Bang	Gearty	Knoll	Peterson	Stokowski
Bernhagen	Gunderson	Laufenburger	Pillsbury	Strand
Borden	Hanson	Lessard	Purfeerst	Tennessee
Brataas	Hughes	Lewis	Schaaf	Ueland, A.
Chmielewski	Jensen	Menning	Schmitz	Ulland, J.
Davies	Johnson	Milton	Setzepfandt	Vega
Dieterich	Keefe, J.	Nelson	Sieloff	Wegener
Dunn	Keefe, S.	Olson	Sikorski	
Engler	Kirchner	Penny	Sillers	

Those who voted in the negative were:

Benedict Humphrey	Luther Merriam	Olhoft Spear	Stumpf	Willet
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So the bill, as amended by the Conference Committee, was re-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 House Files, herewith transmitted: H. F. Nos. 551, 1191 and 223.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 12, 1977

FIRST READING OF HOUSE BILLS

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

H. F. No. 551: A bill for an act relating to taxation; providing for transfer of jointly held property to heirs of decedent joint tenant; clarifying marital exemption provisions; providing for deduction for certain taxes on estates of nonresidents; clarifying time for filing and extension; providing for abatement of penalties in cases of reasonable cause for delay; correcting references to probate code provisions; requiring filing of affidavits and copies of documents; amending Minnesota Statutes 1976, Sections 291.01, Subdivision 4; 291.051, Subdivision 1; 291.08; 291.09, by adding a subdivision; 291.11, Subdivision 1; 291.131, Subdivision 2; 291.20, Subdivision 3; 291.40; 524.3-1003; 524.3-1201; and 524.3-1202.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 1191: A bill for an act relating to taxation; creating special districts to be called tax increment financing districts; providing for tax increment financing of renewal and development projects; amending Minnesota Statutes 1976, Chapter 273, by adding sections; Sections 458.192, Subdivision 11; 462.585, Subdivision 1; 472A.06; 473F.02, Subdivision 3; 474.10, Subdivision 2; and repealing Minnesota Statutes 1976, Sections 458.192, Subdivision 12; 462.545, Subdivision 5; 462.585, Subdivisions 2, 3 and 4; 472A.07; and 472A.08.

Referred to the Committee on Taxes and Tax Laws.

H. F. No. 223: A bill for an act relating to telephones; providing that sales tax on telephone service charges be payable by person paying for the service; requiring telephone number publication; amending Minnesota Statutes 1976, Section 297A.01, Subdivision 3; and Chapter 237, by adding a section.

Referred to the Committee on Rules and Administration for Comparison to S. F. No. 1238 now on General Orders.

REPORTS OF COMMITTEES

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

Mr. Hughes from the Committee on Education, to which were referred the following appointments as reported in the Journal for May 9, 1977:

STATE UNIVERSITY BOARD

Jean Farrand
Donald Jackman
Alice Keller
Kennon Rothchild

COUNCIL ON QUALITY EDUCATION

Jan Storms

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 May 11, 1977:

COUNCIL ON QUALITY EDUCATION

Marvin Trammel

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.

APPOINTMENTS

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

H. F. No. 176, pursuant to the request of the House:

Messrs. Stokowski, Menning and Olson.

H. F. No. 293, pursuant to the request of the House:

Messrs. Lessard, Dunn and Wegener.

S. F. No. 181, pursuant to the request of the Senate:

Messrs. Stokowski, Ogdahl and Strand.

S. F. No. 971, pursuant to the request of the Senate:
Messrs. Davies, Strand and Keefe, J.

S. F. No. 896, pursuant to the request of the Senate:
Messrs. Merriam, Anderson, Luther, Olhoft and Dunn.

S. F. No. 381, pursuant to the request of the Senate:
Messrs. Peterson, Nichols and Bernhagen.

S. F. No. 1349, pursuant to the request of the Senate:
Messrs. Schaaf; Ulland, J. and Sikorski.

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

Mr. Coleman from the Committee on Rules and Administration, to which was referred under Rule 35, together with the committee report thereon,

S. F. No. 958: A bill for an act relating to Ramsey county and the cities of Arden Hills, Roseville, Saint Paul and Shoreview; providing for construction of necessary highway improvements; apportioning costs; prescribing certain limitations; amending Laws 1974, Chapter 435, Section 1.0209, as amended.

Reports the same back with the recommendation that the report from the Committee on Local Government shown in the Journal for May 2, 1977, 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 referred for proper reference under Rule 35:

S. F. No. 1504 reports the same back with the recommendation that the bill be re-referred as follows:

S. F. No. 1504 to the Committee on Transportation.

Report adopted.

SECOND READING OF SENATE BILLS

S. F. No. 958 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Pursuant to Rule 21, Mr. Lewis moved that the following members be excused for a Conference Committee on S. F. No. 1416:

Messrs. Lewis, Moe, Kirchner, Perpich and Milton. The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Borden for Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 206 a Special Order to be heard immediately.

H. F. No. 206: A bill for an act relating to welfare; increasing the personal allowance for persons in care facilities; amending Minnesota Statutes 1976, Section 256B.35, Subdivision 1.

Mr. Keefe, S. moved that the amendment made to H. F. No. 206 by the Committee on Rules and Administration in the report adopted May 12, 1977, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Mr. Keefe, S. moved to amend H. F. No. 206 as follows:

Page 1, line 18, strike "where the" and insert "this"

Page 1, line 18, strike "is" and insert "may be"

Page 1, line 19, after the comma insert "notwithstanding the provisions of section 256D.37, subdivision 2, and"

The motion prevailed. So the amendment was adopted.

H. F. No. 206 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Knutson	Pillsbury	Strand
Bang	Gearty	Laufenburger	Purfeerst	Stumpf
Benedict	Gunderson	Lessard	Schaaf	Ueland, A.
Bernhagen	Hanson	Luther	Setzenfandt	Ulland, J.
Borden	Humphrey	Menning	Sieloff	Vega
Brataas	Jensen	Nelson	Sikorski	Wegener
Chmielewski	Johnson	Ogdahl	Sillers	Willet
Coleman	Keefe, J.	Olhoft	Solon	
Dieterich	Keefe, S.	Olson	Spear	
Dunn	Kleinbaum	Penny	Staples	
Engler	Knoll	Peterson	Stokowski	

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

Pursuant to Rule 21, Mr. Coleman moved that the following members be excused for a Conference Committee on H. F. No. 1510:

Messrs. Moe; Keefe, J.; Tennessen; Stumpf and Ogdahl. The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1337 a Special Order to be heard immediately.

S. F. No. 1337: A bill for an act relating to state employees; providing for wage and fringe benefits for certain state employees; ratifying collective bargaining agreements; providing emergency rule making authority; increasing salary ranges; appropriating money; amending Minnesota Statutes 1976, Chapter 43, by adding a section; Sections 43.09, Subdivision 3; 43.12, Subdivisions 2, 3, 5, 6, 7, 8, 10, 11, 14, 16, and 17, and by adding a subdivision; 43.122, Subdivision 3, and by adding a subdivision; 43.126, Subdivision 1; 43.323, by adding a subdivision; 43.42; 43.44, Subdivision 1; 43.46; and 43.50, Subdivision 1; repealing Minnesota Statutes 1976, Sections 43.09, Subdivision 7; and 43.12, Subdivisions 4 and 9.

Mr. Nelson moved to amend S. F. No. 1337 as follows:

Page 2, line 5, after the comma, insert "*the state residential schools education association, the Minnesota conservation officers association, the independent Minnesota association of government employees, the bureau of criminal apprehension association of forensic scientists*"

Page 9, line 29, after the third comma, insert "*special teacher,*"

Page 10, line 12, after the second comma, insert "*special teacher,*"

Page 13, after line 30, insert new sections to read:

"Sec. 16. Minnesota Statutes 1976, Section 43.12, Subdivision 18, is amended to read:

Subd. 18. The commissioner is hereby empowered to establish by rule an injured on duty compensation plan for certain classes of state employees in hazardous or dangerous classes of employment *and for special teachers employed by the departments of corrections and public welfare and by the department of education at the Minnesota School for the Deaf and the Minnesota Braille and Sight Saving School.* Said plan shall not be subject to the limitations contained in section 176.021, subdivision 5.

Sec. 17. Minnesota Statutes 1976, Section 43.121, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding the provisions of this section, the commissioner may assign the classes of employment which require teaching in an established school program in the department of education and institutions of the state under the jurisdiction of the department of public welfare and the department of corrections to salary ranges, which he is hereby authorized to establish. Whenever the commissioner assigns classes of employment which require teaching in an established school program to any salary range which he is authorized to establish by this subdivision, he shall prepare schedules showing the salary ranges for each class, or group of positions in the class of positions assigned by him and he shall also prepare schedules showing entrance salaries and step increases based upon educational attainments and length of satisfactory service. The salary ranges shall include a minimum rate and not more than 12 additional step increases. In assigning

ranges of salaries for positions in this category the commissioner shall give consideration to the salary schedules for teachers which are in effect in other units of government of the state. *The commissioner is authorized to establish a schedule of payment for assignments to extra-curricular activities which are in addition to the normal teaching schedule.*

The basic salary for institution educational administrators and supervisors shall be based upon the employee's qualifications and the appropriate academic level of the special teacher salary schedule. However, the commissioner is authorized to establish a percentage differential to compensate for administrative and supervisory responsibilities. Annual length of satisfactory service salary adjustments shall be awarded beginning with the payroll period nearest the anniversary date of the special teacher's, institution educational supervisor's or institution educational administrator's original or promotional appointment to his present class, unless he is notified in writing by the appointing authority that his work has been of a less than satisfactory level."

Page 20, after line 7, insert:

"Sec. 27. Notwithstanding any provision of this act or chapter 43 to the contrary, the commissioner shall establish, effective from July 6, 1977 to July 3, 1979, a one percent differential rounded to the nearest dollar for the classes crime laboratory analyst 1, crime laboratory analyst 2, crime laboratory analyst 3, and identification officer and a five percent differential rounded to the nearest dollar for employees assigned to the class chemist and employed in the bureau of criminal apprehension, department of public safety."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, after "16," strike "and"

Page 1, line 10, after "17," insert "and 18,"

Page 1, line 10, after "subdivision;" insert "43.121, Subdivision 3;"

The motion prevailed. So the amendment was adopted.

Mr. Ashbach moved to amend S. F. No. 1337 as follows:

Page 2, line 5, after the comma insert "*the Minnesota community college faculty association,*"

Page 13, line 2, after "college" insert "*system faculty employees*"

Page 13, line 3, after "employees" insert "*whose appointment and salary are based upon a nine month academic year*"

Page 13, line 4, strike "30" and insert "35"

Page 13, line 20, strike "800 hours" and insert "112 days"

Page 20, after line 7, insert:

"Sec. 25. [COMMUNITY COLLEGE EMPLOYEES; SALARIES AND BENEFITS.] Subdivision 1. [APPLICABILITY.] This section applies to employees covered by the Minnesota community college faculty association.

Subd. 2. Placement on the salary schedule shall be in accordance with the terms of the agreement referred to in section 1.

Step placement shall reflect the number of years of experience for which credit is given; and, for any employee for a given year shall be determined and implemented at the beginning of the academic year (fall quarter), or at the start of extra weeks assigned during the same fiscal year but prior to the start of the academic year, or at the beginning of employment which occurs after the start of the academic year, whichever comes first.

Column placement shall reflect the amount of preparation for which credit is given. Column placement for new employees shall be established and shall go into effect at the beginning of employment. Column placement change for unlimited full-time employees may be made at the start of the fall quarter or of extra weeks which precede the fall quarter. Column placement change for temporary full or part-time employees may be made at the start of any quarter or of the extra weeks which precede the quarter.

Subd. 3. The salary schedule for the 1977-78 academic year to be effective July 1, 1977, for employees covered by the agreement referred to in section 1, shall be as follows:

Step	I	II	III	IV
00	9,141	10,907	11,529	12,173
01	9,715	11,529	12,173	12,836
02	10,302	12,173	12,836	13,515
03	10,907	12,836	13,515	14,216
04	11,529	13,515	14,216	14,939
05	12,173	14,216	14,939	15,684
06	12,836	14,939	15,684	16,448
07	13,515	15,684	16,448	17,239
08	14,216	16,448	17,239	18,049
09	14,939	17,239	18,049	18,887
10	15,684	18,049	18,887	19,748
11	16,448	18,887	19,748	20,635
12	17,239	19,748	20,635	21,552

Subd. 4. The salary schedule for the 1978-79 academic year to be effective July 1, 1978, for employees covered by the agreement referred to in section 1, shall be as follows:

Step	I	II	III	IV
00	9,598	11,452	12,105	12,782
01	10,201	12,105	12,782	13,478
02	10,817	12,782	13,478	14,191
03	11,452	13,478	14,191	14,927
04	12,105	14,191	14,927	15,686
05	12,782	14,927	15,685	16,468

Step	I	II	III	IV
06	13,478	15,686	16,468	17,270
07	14,191	16,468	17,270	18,101
08	14,927	17,270	18,101	18,951
09	15,686	18,101	18,951	19,831
10	16,468	18,951	19,831	20,735
11	17,270	19,831	20,735	21,667
12	18,101	20,735	21,667	22,630

Subd. 5. An unlimited employee who teaches full-time during a summer session shall be paid 28/170 of the employee's schedule salary for the previous academic year and shall be paid a pro-ration of that schedule salary for a part-time assignment.

Subd. 6. Employees covered by the agreement referred to in section 1 shall be paid for assessment of competencies for credit as follows:

1. 1977-78—1 to 4 credit assessment, \$12; \$3 per credit over 4 credits.

2. 1978-79—1 to 4 credit assessment, \$16; \$4 per credit over 4 credits.

Subd. 7. [SICK LEAVE.] Upon initial employment each unlimited full-time employee shall be credited with 20 days of sick leave allowance. At the beginning of the third academic year of employment and each academic year thereafter, such employees shall be credited with 10 additional days of sick leave allowance. Unused sick leave may accumulate to a maximum of 112 days. Sick leave earned over the maximum will be considered lapsed but shall be recorded to the employee's credit. Lapsed sick leave may be restored to an employee by the President of a community college after the 112 days have been exhausted and upon presentation of valid medical documentation. One additional day of sick leave shall be credited to each unlimited employee who is employed full-time for a summer session or for four or more extra weeks. If less than full-time it shall be pro-rated. Sick leave credited to an employee in advance is assumed to be earned at the rate of ten days per academic year. If an employee resigns or is dismissed for cause and has used more sick leave than has been earned, such employee shall reimburse the employer for any such overpayment.

Subd. 8. [OTHER PAID LEAVES OF ABSENCE.] Under the conditions established in the agreement referred to in section 1, employees shall be entitled to the following paid leaves of absence:

1. Bereavement leave of up to five days charged against sick leave as necessary for funeral purposes for members of the immediate family.

2. Personal leave of two days per academic year which may be accumulated to eight days but use shall not exceed two days in any quarter unless an emergency arises in which case a third day may be used if approved by the College President.

3. Legal leave for jury service or in response to a subpoena or other direction by proper authority.

4. *Military leave of up to 15 working days per calendar year for members of a reserve force of the United States or the state of Minnesota who are ordered to attend a training program or perform other duties.*

Bereavement leave and personal leave shall apply on a pro-rata basis to part-time employees covered by the agreement referred to in section 1.

Subd. 8. [SABBATICAL LEAVE.] Sabbatical leaves may be granted for one, two, or three consecutive quarters in an academic year, with 50 percent pay for the period of the leave. Sabbatical leaves may also be requested for one quarter at full pay. Sabbatical leaves may be awarded to employees who have served on an unlimited full-time basis for six or more continuous academic years in the community college system with an aggregate of 18 quarters of actual service without having been granted a sabbatical leave. Any quarter in which an employee has received 30 or more working days of unpaid leave shall not count as one of the 18 quarters except as provided in the agreement referred to in section 1. The number of sabbaticals approved for a college shall not exceed five percent, rounded up to the next whole number, of the number of full-time equivalent employee positions allocated to the college for the academic year preceding the application, or one, whichever is greater. The granting of sabbatical leaves shall be as provided in the agreement referred to in section 1.

Subd. 9. [TRAVEL EXPENSES.] Employees in the bargaining unit shall be reimbursed for expenses they incur while on authorized or required travel status in accordance with state travel regulations promulgated by the commissioner of personnel."

Renumber the sections in sequence

CALL OF THE SENATE

Mr. Moe imposed a call of the Senate for the balance of the proceedings on S. F. No. 1337. The following Senators answered to their names:

Ashbach	Dunn	Keefe, S.	Olhoft	Spear
Benedict	Frederick	Kleinbaum	Olson	Stokowski
Bernhagen	Gearty	Knoll	Pillsbury	Strand
Borden	Gunderson	Laufenburger	Schmitz	Ueland, A.
Brataas	Hanson	Lessard	Setzepfandt	Vega
Chmielewski	Hughes	Luther	Sieloff	Willet
Coleman	Humphrey	Menning	Sikoraki	
Davies	Jensen	Moe	Sillers	
Dieterich	Johnson	Nelson	Solon	

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

The question recurred on the Ashbach amendment.

Mr. Coleman moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 15 and nays 38, as follows:

Those who voted in the affirmative were:

Ashbach	Brataas	Engler	Keefe, J.	Knutson
Bernhagen	Dunn	Frederick	Knoll	Pillsbury

Renneke Sieloff Sillers Ueland, A. Ulland, J.

Those who voted in the negative were:

Borden	Hughes	McCutcheon	Perpich	Stokowski
Chmielewski	Humphrey	Menning	Peterson	Strand
Coleman	Johnson	Milton	Purfeerst	Tennesen
Davies	Keefe, S.	Moe	Schmitz	Vega
Dieterich	Kleinbaum	Nelson	Sikorski	Wegener
Gearty	Laufenburger	Ogdahl	Solon	Willet
Gunderson	Lewis	Olhoff	Spear	
Hanson	Luther	Olson	Staples	

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

Mr. Ashbach then moved to amend S. F. No. 1337 as follows:

Page 2, line 12, after the period insert *"Notwithstanding the foregoing, benefit increases under this act shall be granted in respect to any matters which the parties stipulate to the director of the bureau of mediation services or to the arbitration panel as not being in dispute."*

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 17 and nays 37, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Keefe, J.	Renneke	Ulland, J.
Bang	Dunn	Kirchner	Sieloff	
Bernhagen	Engler	Knutson	Sillers	
Brataas	Frederick	Pillsbury	Ueland, A.	

Those who voted in the negative were:

Anderson	Hughes	Luther	Penny	Stumpf
Benedict	Humphrey	McCutcheon	Purfeerst	Tennesen
Borden	Johnson	Menning	Schmitz	Vega
Coleman	Keefe, S.	Milton	Sikorski	Wegener
Davies	Kleinbaum	Moe	Spear	Willet
Gearty	Knoll	Nelson	Staples	
Gunderson	Laufenburger	Olhoff	Stokowski	
Hanson	Lewis	Olson	Strand	

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

S. F. No. 1337: A bill for an act relating to state employees; providing for wage and fringe benefits for certain state employees; ratifying collective bargaining agreements; providing emergency rule making authority; increasing salary ranges; appropriating money; amending Minnesota Statutes 1976, Chapter 43, by adding a section; Sections 43.09, Subdivision 3; 43.12, Subdivisions 2, 3, 5, 6, 7, 8, 10, 11, 14, 16, 17, and 18, and by adding a subdivision; 43.121, Subdivision 3; 43.122, Subdivision 3, and by adding a subdivision; 43.126, Subdivision 1; 43.323, by adding a subdivision; 43.42; 43.44, Subdivision 1; 43.46; and 43.50, Subdivision 1; repealing Minnesota Statutes 1976, Sections 43.09, Subdivision 7; and 43.12, Subdivisions 4 and 9.

Was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Kleinbaum	Olhoft	Strand
Ashbach	Frederick	Knoll	Olson	Stumpf
Bang	Gearty	Knutson	Penny	Tennessee
Benedict	Gunderson	Laufenburger	Pillsbury	Ueland, A.
Bernhagen	Hanson	Lewis	Purfeerst	Ulland, J.
Borden	Hughes	Luther	Renneke	Vega
Brataas	Humphrey	McCutcheon	Schmitz	Wegener
Chmielewski	Jensen	Menning	Sieloff	Willet
Coleman	Johnson	Milton	Sillers	
Davies	Keefe, J.	Moe	Spear	
Dieterich	Keefe, S.	Nelson	Staples	
Dunn	Kirchner	Ogdahl	Stokowski	

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

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Senate Calendar and waive the lie-over requirement. The motion prevailed.

THIRD READING OF SENATE BILLS

S. F. No. 978: A bill for an act relating to Hennepin county; increasing tax levy and bond issue limitations for the purposes of the county park reserve district; amending Laws 1967, Chapter 721, Section 2, as amended.

Was read the third time and placed on its final passage:

The question was taken on the passage of the bill.

The roll was called, and there were yeas 39 and nays 14, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Knutson	Penny	Solon
Ashbach	Engler	Laufenburger	Perpich	Staples
Bang	Frederick	Lessard	Purfeerst	Ueland, A.
Benedict	Gearty	Lewis	Renneke	Ulland, J.
Bernhagen	Gunderson	Luther	Schmitz	Vega
Borden	Jensen	Menning	Setzepfandt	Wegener
Chmielewski	Johnson	Nelson	Sikorski	Willet
Davies	Kirchner	Olson	Sillers	

Those who voted in the negative were:

Dieterich	Keefe, S.	Olhoft	Schaaf	Stokowski
Hanson	Knoll	Peterson	Sieloff	Strand
Humphrey	McCutcheon	Pillsbury	Spear	

So the bill passed and its title was agreed to.

S. F. No. 1174: A bill for an act relating to the city of Mankato; authorizing residential property rehabilitation loans and grants.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Perpich	Solon
Ashbach	Gearty	Laufenburger	Peterson	Spear
Bang	Gunderson	Lessard	Pillsbury	Staples
Benedict	Hanson	Lewis	Purfeerst	Stokowski
Bernhagen	Humphrey	Luther	Renneke	Strand
Borden	Jensen	McCutcheon	Schaaf	Ueland, A.
Chmielewski	Johnson	Menning	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Setzepfandt	Vega
Dieterich	Kirchner	Olhoff	Sieloff	Wegener
Dunn	Kleinbaum	Olson	Sikorski	Willet
Engler	Knoll	Penny	Sillers	

So the bill passed and its title was agreed to.

S. F. No. 1087: A bill for an act relating to nonprofit health service plan corporations; modifying retained surplus requirements; amending Minnesota Statutes 1976, Section 62C.09, Subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Penny	Sillers
Ashbach	Gearty	Knutson	Perpich	Solon
Bang	Gunderson	Laufenburger	Peterson	Spear
Benedict	Hanson	Lessard	Pillsbury	Staples
Bernhagen	Hughes	Lewis	Purfeerst	Stokowski
Borden	Humphrey	Luther	Renneke	Strand
Chmielewski	Jensen	McCutcheon	Schaaf	Ueland, A.
Davies	Johnson	Menning	Schmitz	Ulland, J.
Dieterich	Keefe, S.	Nelson	Setzepfandt	Vega
Dunn	Kirchner	Olhoff	Sieloff	Wegener
Engler	Kleinbaum	Olson	Sikorski	Willet

So the bill passed and its title was agreed to.

S. F. No. 522: A bill for an act relating to watersheds located primarily in Hennepin county; providing for the issuance of Hennepin county bonds to pay the cost of watershed district improvements initiated by petition of a municipality.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Pillsbury	Staples
Ashbach	Gearty	Laufenburger	Purfeerst	Stokowski
Bang	Gunderson	Lessard	Renneke	Strand
Benedict	Hanson	Lewis	Schaaf	Ueland, A.
Bernhagen	Hughes	Luther	Schmitz	Ulland, J.
Borden	Humphrey	Menning	Setzepfandt	Vega
Chmielewski	Jensen	Nelson	Sieloff	Wegener
Davies	Johnson	Olhoff	Sikorski	Willet
Dieterich	Keefe, S.	Olson	Sillers	
Dunn	Kleinbaum	Penny	Solon	
Engler	Knoll	Perpich	Spear	

Messrs. McCutcheon and Peterson voted in the negative.

So the bill passed and its title was agreed to.

THIRD READING OF HOUSE BILLS

H. F. No. 544: A bill for an act relating to highways; removing the construction moratorium on a certain interstate route, and extending it through the city of St. Paul; removing a certain route from the trunk highway system; amending Minnesota Statutes 1976, Sections 161.117; 161.12; and 161.123.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 49 and nays 5, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lessard	Peterson	Spear
Bang	Hanson	Lewis	Pillsbury	Staples
Benedict	Hughes	Luther	Purfeerst	Stokowski
Borden	Humphrey	McCutcheon	Renneke	Strand
Chmielewski	Jensen	Menning	Schaaf	Ueland, A.
Davies	Johnson	Nelson	Schmitz	Ulland, J.
Dieterich	Keefe, S.	Olhoff	Setzepfandt	Vega
Dunn	Kirchner	Olson	Sieloff	Wegener
Engler	Kleinbaum	Penny	Sikorski	Willet
Gearty	Laufenburger	Perpich	Solon	

Those who voted in the negative were:

Ashbach	Bernhagen	Frederick	Knutson	Sillers
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So the bill passed and its title was agreed to.

H. F. No. 1305: A bill for an act relating to Minnesota Statutes; providing for the correction of erroneous, ambiguous, omitted and obsolete references and text; reenacting a law; eliminating certain duplicitous and conflicting provisions superseded by or conflicting with other provisions of law; amending Minnesota Statutes 1976, Chapter 15, by adding a section; Sections 3.973; 4.12, Subdivision 2; 10.13; 15.55; 16A.129; 33.13; 38.02, Subdivision 2; 38.13; 41.57, Subdivision 1; 43.051, Subdivisions 1 and 2; 55.095; 83.26, Subdivision 3; 116.36, Subdivision 1; 116A.20, Subdivision 6; 121.02, Subdivision 1; 121.11, Subdivision 5; 125.05, Subdivision 3; 144.01, Subdivision 1; 144A.19, by adding a subdivision; 161.14, Subdivision 19; 168.013, Subdivision 17; 168.12, Subdivision 1; 168.27, Subdivision 22; 176.101, Subdivision 3; 179.65, Subdivision 2; 192.551; 193.149; 202A.25, Subdivision 1; 207.19, Subdivision 1; 222.50, Subdivision 5; 246.02, Subdivision 2; 252.24, Subdivision 1; 256B.04, Subdivisions 10 and 11; 260.171, Subdivision 6; 270.50; 273.13, Subdivisions 6 and 7; 297.13, Subdivision 1; 336.9-104; 336.9-105; 336.9-404; 336.9-501; 340.039; 353.01, Subdivisions 2a and 6; 355.30; 375.18, Subdivision 8; 458.19; 462.364; 462A.04, Subdivision 1; 462A.22, Subdivision 10; 465.58; 485.01; 549.06; 609.556, Subdivision 1; and 645.44, Subdivision 5a; reenacting Laws 1976, Chapter 127; repealing Minnesota Statutes 1976, Sections 15.055; 17B.22, Subdivision 3; 43.37; 136A.02, Subdivision 2; 144.952; 169.132; Laws 1971.

Chapter 427, Section 17; Laws 1974, Chapters 22, Section 5; and 256.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Peterson	Staples
Bang	Gunderson	Lessard	Pillsbury	Stokowski
Benedict	Hanson	Lewis	Purfeerst	Strand
Bernhagen	Hughes	Luther	Renneke	Ueland, A.
Borden	Humphrey	McCutcheon	Schaaf	Ulland, J.
Chmielewski	Jensen	Menning	Schmitz	Vega
Davies	Johnson	Nelson	Setzepfandt	Wegener
Dieterich	Keefe, S.	Olhoff	Sieloff	Willet
Dunn	Kleinbaum	Olson	Sikorski	
Engler	Knoll	Penny	Sillers	
Frederick	Knutson	Perpich	Spear	

So the bill passed and its title was agreed to.

H. F. No. 1405: A bill for an act relating to state employees; providing for investment options for deferring compensation; amending Minnesota Statutes 1976, Section 352.96, Subdivisions 2, 3, and 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Penny	Sillers
Ashbach	Gearty	Knutson	Perpich	Spear
Bang	Gunderson	Laufenburger	Peterson	Staples
Benedict	Hanson	Lessard	Pillsbury	Stokowski
Bernhagen	Hughes	Lewis	Purfeerst	Strand
Borden	Humphrey	Luther	Renneke	Ueland, A.
Chmielewski	Jensen	McCutcheon	Schaaf	Ulland, J.
Davies	Johnson	Menning	Schmitz	Vega
Dieterich	Keefe, S.	Nelson	Setzepfandt	Wegener
Dunn	Kirchner	Olhoff	Sieloff	Willet
Engler	Kleinbaum	Olson	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 1107: A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell certain lands in Itasca county; appropriating money.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Benedict	Chmielewski	Dunn	Gearty
Ashbach	Bernhagen	Davies	Engler	Gunderson
Bang	Borden	Dieterich	Frederick	Hanson

Hughes	Laufenburger	Olson	Schmitz	Stokowski
Humphrey	Lessard	Penny	Setzepfandt	Strand
Jensen	Lewis	Perpich	Sieloff	Ueland, A.
Johnson	Luther	Peterson	Sikorski	Ulland, J.
Keefe, S.	McCutcheon	Pillsbury	Sillers	Vega
Kleinbaum	Menning	Purfeerst	Solon	Wegener
Knoll	Nelson	Renneke	Spear	Willet
Knutson	Olhoft	Schaaf	Staples	

So the bill passed and its title was agreed to.

H. F. No. 90: A bill for an act relating to intoxicating liquor; authorizing cities to issue additional on-sale licenses by referendum; amending Minnesota Statutes 1976, Section 340.11, Subdivision 18.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lessard	Pillsbury	Staples
Ashbach	Hanson	Lewis	Purfeerst	Strand
Bang	Hughes	Luther	Renneke	Ueland, A.
Benedict	Humphrey	McCutcheon	Schaaf	Ulland, J.
Bernhagen	Jensen	Menning	Schmitz	Vega
Borden	Johnson	Nelson	Setzepfandt	Wegener
Davies	Keefe, S.	Olhoft	Sieloff	Willet
Dieterich	Kleinbaum	Olson	Sikorski	
Engler	Knoll	Penny	Sillers	
Frederick	Knutson	Perpich	Solon	
Gearty	Laufenburger	Peterson	Spear	

Messrs. Chmielewski and Stokowski voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1226: A bill for an act relating to metropolitan airports; authorizing reimbursement to commission members; clarifying its organization and authority; granting emergency authority to expend funds; amending Minnesota Statutes 1976, Sections 473.605, Subdivisions 1 and 2; 473.606, Subdivisions 1 and 4; 473.608, Subdivisions 1, 15 and 17; 473.611, Subdivision 5; 473.621, Subdivisions 2 and 4; 473.641, Subdivision 2; 473.652; repealing Minnesota Statutes 1976, Sections 473.611, Subdivisions 1, 2, 3 and 4; and 473.621, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Coleman	Gunderson	Keefe, S.	Lessard
Bang	Dieterich	Hanson	Kirchner	Lewis
Benedict	Dunn	Hughes	Kleinbaum	Luther
Bernhagen	Engler	Humphrey	Knoll	McCutcheon
Borden	Frederick	Jensen	Knutson	Menning
Chmielewski	Gearty	Johnson	Laufenburger	Nelson

Olhoff	Pillsbury	Setzepfandt	Staples	Vega
Olson	Purfeerst	Sieloff	Stokowski	Wegener
Penny	Renneke	Sikorski	Strand	Willet
Perpich	Schaaf	Sillers	Ueland, A.	
Peterson	Schmitz	Spear	Ulland, J.	

So the bill passed and its title was agreed to.

H. F. No. 1193: A bill for an act relating to the city of Bloomington in Hennepin county and the city of South St. Paul in Dakota county; housing and redevelopment authority; providing that the housing and redevelopment authority may make loans and grants for home improvement, rental assistance, and financial assistance; amending Laws 1971, Chapter 616, Sections 1 and 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Perpich	Spear
Ashbach	Gearty	Laufenburger	Peterson	Staples
Bang	Gunderson	Lessard	Pillsbury	Stokowski
Benedict	Hanson	Lewis	Purfeerst	Strand
Bernhagen	Hughes	Luther	Renneke	Ueland, A.
Borden	Humphrey	McCutcheon	Schaaf	Ulland, J.
Chmielewski	Jensen	Menning	Schmitz	Vega
Coleman	Johnson	Nelson	Setzepfandt	Wegener
Dieterich	Keefe, S.	Olhoff	Sieloff	Willet
Dunn	Kleinbaum	Olson	Sikorski	
Engler	Knoll	Penny	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 952: A bill for an act relating to courts; sixth judicial district; authorizing the position of domestic relations referee in St. Louis county; amending Minnesota Statutes 1976, Chapter 484, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Perpich	Solon
Bang	Gearty	Laufenburger	Peterson	Spear
Benedict	Gunderson	Lessard	Pillsbury	Staples
Bernhagen	Hanson	Lewis	Purfeerst	Stokowski
Borden	Hughes	Luther	Renneke	Strand
Chmielewski	Humphrey	McCutcheon	Schaaf	Ueland, A.
Coleman	Jensen	Menning	Schmitz	Ulland, J.
Davies	Johnson	Nelson	Setzepfandt	Vega
Dieterich	Keefe, S.	Olhoff	Sieloff	Wegener
Dunn	Kleinbaum	Olson	Sikorski	Willet
Engler	Knoll	Penny	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 1184: A bill for an act relating to the city of Lakeville; authorizing an increase in firemen's service pensions; amending Laws 1975, Chapter 125, Section 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knoll	Penny	Sillers
Ashbach	Frederick	Knutson	Perpich	Solon
Bang	Gearty	Laufenburger	Peterson	Spear
Benedict	Gunderson	Lessard	Pillsbury	Staples
Bernhagen	Hanson	Lewis	Purfeerst	Stokowski
Borden	Hughes	Luther	Renneke	Strand
Chmielewski	Humphrey	McCutcheon	Schaaf	Ueland, A.
Coleman	Jensen	Menning	Schmitz	Ulland, J.
Davies	Johnson	Nelson	Setzpfandt	Vega
Dieterich	Kirchner	Olhoff	Sieloff	Wegener
Dunn	Kleinbaum	Olson	Sikorski	Willet

So the bill passed and its title was agreed to.

H. F. No. 79: A bill for an act relating to real estate; placing restrictions on who may acquire title; providing enforcement powers; providing penalty; amending Minnesota Statutes 1976, Chapter 500, by adding a section; repealing Minnesota Statutes 1976, Section 500.22.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Penny	Staples
Ashbach	Gearty	Knutson	Perpich	Stokowski
Bang	Gunderson	Laufenburger	Peterson	Strand
Benedict	Hanson	Lessard	Pillsbury	Ueland, A.
Bernhagen	Hughes	Lewis	Purfeerst	Ulland, J.
Borden	Humphrey	Luther	Renneke	Vega
Chmielewski	Jensen	McCutcheon	Schaaf	Wegener
Coleman	Johnson	Menning	Schmitz	Willet
Davies	Keefe, S.	Nelson	Setzpfandt	
Dieterich	Kirchner	Olhoff	Sikorski	
Engler	Kleinbaum	Olson	Solon	

Messrs. Dunn, Sieloff, Sillers and Spear voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 129: 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.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Penny	Sillers
Ashbach	Gearty	Knutson	Perpich	Solon
Bang	Gunderson	Laufenburger	Peterson	Spear
Benedict	Hanson	Lessard	Pillsbury	Staples
Bernhagen	Hughes	Lewis	Purfeerst	Stokowski
Borden	Humphrey	Luther	Renneke	Strand
Chmielewski	Jensen	McCutcheon	Schaaf	Ueland, A.
Davies	Johnson	Menning	Schmitz	Ulland, J.
Dieterich	Keefe, S.	Nelson	Setzepfandt	Vega
Dunn	Kirchner	Olhoff	Sieloff	Wegener
Engler	Kleinbaum	Olson	Sikorski	Willet

So the bill passed and its title was agreed to.

H. F. No. 256: A bill for an act relating to insurance; providing for regulation of aircraft and inland marine insurance; amending Minnesota Statutes 1976, Sections 70A.02, Subdivision 2; and 70A.06, Subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Perpich	Spear
Ashbach	Gearty	Laufenburger	Peterson	Staples
Bang	Gunderson	Lessard	Pillsbury	Stokowski
Benedict	Hanson	Lewis	Purfeerst	Strand
Bernhagen	Hughes	Luther	Renneke	Ueland, A.
Borden	Humphrey	McCutcheon	Schaaf	Ulland, J.
Chmielewski	Jensen	Menning	Schmitz	Vega
Davies	Johnson	Nelson	Sieloff	Wegener
Dieterich	Keefe, S.	Olhoff	Sikorski	Willet
Dunn	Kirchner	Olson	Sillers	
Engler	Kleinbaum	Penny	Solon	

Mr. Knutson voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1518: A bill for an act relating to Independent School District No. 272 (Eden Prairie) and Independent School District No. 271 (Bloomington); providing for the transfer of territory from Independent School District No. 272 to Independent School District No. 271.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nay 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Perpich	Spear
Ashbach	Gearty	Laufenburger	Peterson	Staples
Bang	Gunderson	Lessard	Pillsbury	Stokowski
Benedict	Hanson	Lewis	Purfeerst	Strand
Bernhagen	Hughes	Luther	Renneke	Ueland, A.
Borden	Humphrey	McCutcheon	Schaaf	Ulland, J.
Chmielewski	Jensen	Menning	Schmitz	Vega
Davies	Johnson	Nelson	Sieloff	Wegener
Dieterich	Keefe, S.	Olhoft	Sikorski	Willett
Dunn	Kirchner	Olson	Sillers	
Engler	Kleinbaum	Penny	Solon	

So the bill passed and its title was agreed to.

H. F. No. 56: A bill for an act relating to children; providing visitation rights to minor children in certain cases; amending Minnesota Statutes 1976, Section 257.022, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 46 and nays 6, as follows:

Those who voted in the affirmative were:

Anderson	Humphrey	McCutcheon	Renneke	Stokowski
Bang	Jensen	Menning	Schaaf	Strand
Benedict	Johnson	Merriam	Schmitz	Ueland, A.
Bernhagen	Keefe, S.	Nelson	Setzepfandt	Ulland, J.
Chmielewski	Kirchner	Olhoft	Sieloff	Wegener
Engler	Knoll	Olson	Sikorski	Willett
Gearty	Knutson	Penny	Sillers	
Gunderson	Laufenburger	Peterson	Solon	
Hanson	Lessard	Pillsbury	Spear	
Hughes	Luther	Purfeerst	Staples	

Those who voted in the negative were:

Davies	Dunn	Lewis	Perpich	Vega
Dieterich				

So the bill passed and its title was agreed to.

H. F. No. 914: A bill for an act relating to human services; providing certain services to juveniles; clarifying the authority of the juvenile court; amending Minnesota Statutes 1976, Sections 260.311, Subdivisions 1, 3, and 5; and 402.02, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Laufenburger	Peterson	Solon
Bang	Gunderson	Lessard	Pillsbury	Spear
Benedict	Hanson	Luther	Purfeerst	Staples
Bernhagen	Hughes	McCutcheon	Renneke	Stokowski
Borden	Humphrey	Menning	Schaaf	Strand
Chmielewski	Jensen	Nelson	Schmitz	Ueland, A.
Davies	Johnson	Olhoft	Setzepfandt	Ulland, J.
Dieterich	Keefe, S.	Olson	Sieloff	Vega
Dunn	Kirchner	Penny	Sikorski	Wegener
Engler	Knoll	Perpich	Sillers	Willet

So the bill passed and its title was agreed to.

H. F. No. 856: A bill for an act relating to welfare; authorizing the establishment of a centralized disbursement system for payments and for food stamp benefit documents; amending Minnesota Statutes 1976, Section 256.01, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 49 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Peterson	Spear
Bang	Gunderson	Lessard	Pillsbury	Staples
Benedict	Hanson	Lewis	Purfeerst	Stokowski
Bernhagen	Hughes	Luther	Schaaf	Strand
Chmielewski	Humphrey	McCutcheon	Schmitz	Ueland, A.
Davies	Jensen	Menning	Setzepfandt	Ulland, J.
Dieterich	Johnson	Nelson	Sieloff	Vega
Dunn	Kirchner	Olson	Sikorski	Wegener
Engler	Kleinbaum	Penny	Sillers	Willet
Frederick	Knoll	Perpich	Solon	

Messrs. Keefe, S.; Olhoft and Renneke voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1498: A bill for an act relating to public welfare; mandating the working of certain general assistance recipients; allowing the use of general assistance funds for the work equity program; empowering the commissioner of public welfare to contract for recipient services and grant distribution; amending Minnesota Statutes 1976, Sections 256D.02, by adding subdivisions; 256D.04; 256D.06, by adding a subdivision; and 256D.11, Subdivisions 1 and 4, and by adding subdivisions.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Knutson	Penny	Sillers
Bang	Gunderson	Laufenburger	Perpich	Solon
Benedict	Hanson	Lessard	Peterson	Spear
Bernhagen	Hughes	Lewis	Pillsbury	Staples
Borden	Humphrey	Luther	Purfeerst	Stokowski
Chmielewski	Jensen	McCutcheon	Renneke	Strand
Davies	Johnson	Menning	Schaaf	Ueland, A.
Dieterich	Keefe, S.	Merriam	Schmitz	Ulland, J.
Dunn	Kirchner	Nelson	Setzepfandt	Vega
Engler	Kleinbaum	Olhoff	Sieloff	Wegener
Frederick	Knoll	Olson	Sikorski	Willet

So the bill passed and its title was agreed to.

H. F. No. 1386: A bill for an act relating to agriculture; clarifying certain terms; eliminating six months license provision; permitting license suspension; permitting waiver of the right to a hearing; clarifying weighing locations and weighing fees; amending Minnesota Statutes 1976, Sections 17A.03, Subdivisions 6 and 7; 17A.04, Subdivision 1, and by adding a subdivision; 17A.05, Subdivision 2; 17A.06, Subdivisions 2 and 3; 17A.10; and 17A.11.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Gunderson	Laufenburger	Pillsbury	Staples
Benedict	Hanson	Lessard	Purfeerst	Stokowski
Bernhagen	Hughes	Lewis	Renneke	Strand
Borden	Humphrey	Luther	Schaaf	Ueland, A.
Chmielewski	Jensen	McCutcheon	Schmitz	Ulland, J.
Davies	Johnson	Menning	Setzepfandt	Wegener
Dieterich	Keefe, S.	Nelson	Sieloff	Willet
Dunn	Kirchner	Olson	Sikorski	
Engler	Kleinbaum	Penny	Sillers	
Frederick	Knoll	Perpich	Solon	
Gearty	Knutson	Peterson	Spear	

So the bill passed and its title was agreed to.

H. F. No. 672: A bill for an act relating to insurance; providing for determination of the participation ratio; providing for higher limits of liability coverage and uninsured motorist coverage; amending Minnesota Statutes 1976, Sections 65B.02, Subdivision 7; 65B.06, Subdivision 2; and 65B.49, Subdivision 6.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Engler	Hughes	Keefe, S.
Bang	Davies	Gearty	Humphrey	Kirchner
Benedict	Dieterich	Gunderson	Jensen	Kleinbaum
Bernhagen	Dunn	Hanson	Johnson	Knoll

Knutson	Nelson	Purfeerst	Sillers	Ulland, J.
Laufenburger	Olhoff	Renneke	Solon	Wegener
Lessard	Olson	Schaaf	Spear	Willet
Lewis	Penny	Schmitz	Staples	
Luther	Perpich	Setzepfandt	Stokowski	
McCutcheon	Peterson	Sieloff	Strand	
Menning	Pillsbury	Sikorski	Ueland, A.	

So the bill passed and its title was agreed to.

H. F. No. 1017: 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.

With the unanimous consent of the Senate, Mr. Knoll moved to amend H. F. No. 1017 as follows:

In the amendment by the Committee on Commerce, adopted by the Senate May 3, 1977, to page 9, after line 27, the last two lines of subdivision 3, strike "as provided in the appropriate section in the law" and insert "which complies with subdivisions 1 and 2 of this section"

The motion prevailed. So the amendment was adopted.

H. F. No. 1017 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Knutson	Perpich	Spear
Ashbach	Gunderson	Laufenburger	Peterson	Staples
Bang	Hanson	Lessard	Pillsbury	Stokowski
Benedict	Hughes	Lewis	Purfeerst	Strand
Bernhagen	Humphrey	Luther	Renneke	Ueland, A.
Chmielewski	Jensen	McCutcheon	Schaaf	Ulland, J.
Davies	Johnson	Menning	Schmitz	Wegener
Dieterich	Keefe, S.	Nelson	Sieloff	Willet
Dunn	Kirchner	Olhoff	Sikorski	
Engler	Kleinbaum	Olson	Sillers	
Frederick	Knoll	Penny	Solon	

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

H. F. No. 261: A bill for an act relating to veterans; permitting the commissioner of veterans affairs to act as guardian for minors or incompetents without posting bond; amending Minnesota Statutes 1976, Chapter 196, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Perpich	Solon
Ashbach	Gearty	Knutson	Peterson	Spear
Bang	Gunderson	Laufenburger	Pillsbury	Staples
Benedict	Hanson	Lessard	Purfeerst	Stokowski
Bernhagen	Hughes	Lewis	Renneke	Strand
Borden	Humphrey	Luther	Schaaf	Ueland, A.
Chmielewski	Jensen	McCutcheon	Schmitz	Ulland, J.
Davies	Johnson	Menning	Setzepfandt	Wegener
Dieterich	Keefe, S.	Olhoft	Sieloff	Willet
Dunn	Kirchner	Olson	Sikorski	
Engler	Kleinbaum	Penny	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 296: A bill for an act relating to insurance; providing for the establishment and operation of a Minnesota life and health insurance guaranty association; providing protection for policyowners, insureds, beneficiaries, and others against the failure of an insurer doing business in Minnesota; amending Minnesota Statutes 1976, Sections 60B.17, by adding a subdivision; 60B.25; 60B.26, Subdivision 2; 60B.30, by adding a subdivision; and 60B.46, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lewis	Pillsbury	Staples
Benedict	Hanson	Luther	Purfeerst	Stokowski
Bernhagen	Hughes	McCutcheon	Renneke	Strand
Borden	Humphrey	Menning	Schaaf	Ueland, A.
Chmielewski	Johnson	Merriam	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Setzepfandt	Wegener
Dieterich	Kirchner	Olhoft	Sieloff	Willet
Dunn	Kleinbaum	Olson	Sikorski	
Engler	Knoll	Penny	Sillers	
Frederick	Laufenburger	Perpich	Solon	
Gearty	Lessard	Peterson	Spear	

Messrs. Ashbach, Bang, Jensen and Knutson voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 16: A bill for an act relating to insurance; providing for interest on unpaid benefits; amending Minnesota Statutes 1976, Chapter 61A, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 0, as follows:

Anderson	Gunderson	Lewis	Pillsbury	Staples
Ashbach	Hanson	Luther	Purfeerst	Stokowski
Bang	Humphrey	McCutcheon	Renneke	Strand
Benedict	Jensen	Menning	Schaaf	Ueland, A.
Bernhagen	Johnson	Merriam	Schmitz	Ulland, J.
Chmielewski	Kirchner	Nelson	Setzpfandt	Wegener
Davies	Kleinbaum	Olhoft	Sieloff	Willet
Dieterich	Knoll	Olson	Sikorski	
Dunn	Knutson	Penny	Sillers	
Engler	Laufenburger	Perpich	Solon	
Gearty	Lessard	Peterson	Spear	

So the bill passed and its title was agreed to.

H. F. No. 947: A bill for an act relating to railroads; allowing reduced rates for transportation of waste material for reprocessing; amending Minnesota Statutes 1976, Section 218.021, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Perpich	Solon
Ashbach	Gearty	Laufenburger	Peterson	Spear
Bang	Gunderson	Lessard	Pillsbury	Staples
Benedict	Hanson	Luther	Purfeerst	Stokowski
Bernhagen	Hughes	McCutcheon	Renneke	Strand
Borden	Humphrey	Menning	Schaaf	Ueland, A.
Chmielewski	Jensen	Merriam	Schmitz	Ulland, J.
Davies	Johnson	Nelson	Setzpfandt	Wegener
Dieterich	Kirchner	Olhoft	Sieloff	Willet
Dunn	Kleinbaum	Olson	Sikorski	
Engler	Knoll	Penny	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 1275: A bill for an act relating to agriculture; grain inspection and weighing; fees; providing a basis for establishing and adjusting fees; amending Minnesota Statutes 1976, Section 17B.15, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Penny	Sillers
Ashbach	Gearty	Laufenburger	Perpich	Solon
Bang	Gunderson	Lessard	Peterson	Spear
Benedict	Hanson	Lewis	Pillsbury	Staples
Bernhagen	Hughes	Luther	Purfeerst	Stokowski
Borden	Humphrey	McCutcheon	Renneke	Strand
Chmielewski	Jensen	Menning	Schaaf	Ueland, A.
Davies	Johnson	Merriam	Schmitz	Ulland, J.
Dieterich	Kirchner	Nelson	Setzpfandt	Wegener
Dunn	Kleinbaum	Olhoft	Sieloff	Willet
Engler	Knoll	Olson	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 398: A bill for an act relating to protection of the environment; prohibiting sale of pressurized containers using certain chlorofluorocarbon propellants; prescribing penalties.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Perpich	Spear
Ashbach	Gunderson	Lessard	Peterson	Staples
Bang	Hanson	Lewis	Purfeerst	Stokowski
Benedict	Hughes	Luther	Renneke	Strand
Bernhagen	Humphrey	McCutcheon	Schaaf	Ueland, A.
Chmielewski	Jensen	Menning	Schmitz	Ulland, J.
Davies	Johnson	Merriam	Setzepfandt	Wegener
Dieterich	Kirchner	Nelson	Sieloff	Willet
Dunn	Kleinbaum	Olhoff	Sikorski	
Engler	Knoll	Olson	Sillers	
Frederick	Knutson	Penny	Solon	

So the bill passed and its title was agreed to.

H. F. No. 343: A bill for an act relating to obscenity; prohibiting the dissemination of obscene photographs or other similar visual representations which depict minors involved in scenes of patently offensive sexual conduct; prescribing penalties; amending Minnesota Statutes 1976, Chapter 617, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Olhoff	Sieloff
Ashbach	Gearty	Knutson	Olson	Sikorski
Bang	Gunderson	Laufenburger	Penny	Sillers
Benedict	Hanson	Lessard	Perpich	Solon
Bernhagen	Hughes	Lewis	Peterson	Spear
Chmielewski	Humphrey	Luther	Pillsbury	Staples
Davies	Jensen	McCutcheon	Purfeerst	Ueland, A.
Dieterich	Johnson	Menning	Renneke	Ulland, J.
Dunn	Kirchner	Merriam	Schmitz	Wegener
Engler	Kleinbaum	Nelson	Setzepfandt	Willet

Mr. Schaaf voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 313: A bill for an act relating to unemployment compensation; providing eligibility for benefits for certain retired workers; amending Minnesota Statutes 1976, Section 268.09, Subdivision 1, as amended by Laws 1977, Chapter 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Perpich	Solon
Ashbach	Gearty	Laufenburger	Peterson	Spear
Bang	Gunderson	Lessard	Pillsbury	Staples
Benedict	Hanson	Lewis	Purfeerst	Stokowski
Bernhagen	Hughes	Luther	Renneke	Strand
Borden	Humphrey	McCutcheon	Schaaf	Ueland, A.
Chmielewski	Jensen	Menning	Schmitz	Ulland, J.
Davies	Johnson	Nelson	Setzepfandt	Wegener
Dieterich	Kirchner	Olhoff	Sieloff	Willet
Dunn	Kleinbaum	Olson	Sikorski	
Engler	Knoll	Penny	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 1421: A bill for an act relating to natural resources; designating wild rice as the official state grain; amending Minnesota Statutes 1976, Chapter 1, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Pillsbury	Staples
Bang	Gunderson	Lessard	Purfeerst	Stokowski
Benedict	Hanson	Lewis	Renneke	Strand
Bernhagen	Hughes	Luther	Schaaf	Ueland, A.
Borden	Humphrey	McCutcheon	Schmitz	Ulland, J.
Chmielewski	Jensen	Menning	Setzepfandt	Wegener
Davies	Johnson	Nelson	Sieloff	Willet
Dieterich	Kirchner	Olhoff	Sikorski	
Dunn	Kleinbaum	Olson	Sillers	
Engler	Knoll	Perpich	Solon	
Frederick	Knutson	Peterson	Spear	

Messrs. Merriam and Penny voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 675: A bill for an act relating to insurance; changing the filing date for annual statements of township mutual companies; changing limitations on property insurable by township mutual companies; changing limitations on investments by township mutual companies; amending Minnesota Statutes 1976, Sections 67A.11, Subdivision 3; 67A.14, Subdivisions 1 and 5; and 67A.23.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Peterson	Spear
Bang	Gunderson	Lessard	Pillsbury	Staples
Benedict	Hanson	Lewis	Purfeerst	Stokowski
Bernhagen	Hughes	Luther	Renneke	Strand
Borden	Humphrey	McCutcheon	Schaaf	Ueland, A.
Chmielewski	Jensen	Menning	Schmitz	Ulland, J.
Davies	Johnson	Nelson	Setzepfandt	Wegener
Dieterich	Kirchner	Olhoff	Sieloff	Willet
Dunn	Kleinbaum	Olson	Sikorski	
Engler	Knoll	Penny	Sillers	
Frederick	Knutson	Perpich	Solon	

So the bill passed and its title was agreed to.

H. F. No. 259: A bill for an act relating to insurance; requiring refund of unearned premium on cancellation of certain automobile insurance policies; amending Minnesota Statutes 1976, Section 65B.14; and Chapter 65B, by adding sections.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Perpich	Solon
Ashbach	Gearty	Laufenburger	Peterson	Spear
Bang	Gunderson	Lessard	Pillsbury	Staples
Benedict	Hanson	Lewis	Purfeerst	Stokowski
Bernhagen	Hughes	Luther	Renneke	Strand
Borden	Humphrey	McCutcheon	Schaaf	Ueland, A.
Chmielewski	Jensen	Menning	Schmitz	Ulland, J.
Davies	Johnson	Nelson	Setzepfandt	Wegener
Dieterich	Kirchner	Olhoff	Sieloff	Willet
Dunn	Kleinbaum	Olson	Sikorski	
Engler	Knoll	Penny	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 829: A bill for an act relating to landlord and tenant; establishing period for which interest is payable on security deposit; providing a measure of damages for the improper withholding of security deposits; amending Minnesota Statutes 1976, Section 504.20, Subdivisions 2, 3, 4, 7 and 7a.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lewis	Pillsbury	Staples
Benedict	Hanson	Luther	Purfeerst	Stokowski
Bernhagen	Hughes	McCutcheon	Renneke	Strand
Borden	Humphrey	Menning	Schaaf	Ueland, A.
Chmielewski	Jensen	Merriam	Schmitz	Ulland, J.
Davies	Johanson	Nelson	Setzepfandt	Wegener
Dieterich	Kirchner	Olhoff	Sieloff	Willet
Dunn	Kleinbaum	Olson	Sikorski	
Engler	Knoll	Penny	Sillers	
Frederick	Laufenburger	Perpich	Solon	
Gearty	Lessard	Peterson	Spear	

Messrs. Ashbach, Bang and Knutson voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 41: A bill for an act relating to public safety; requiring fire detection devices in certain residential housing; directing the commissioner of administration to amend the state building code; amending Minnesota Statutes 1976, Section 16.85, Subdivision 1; and Chapter 299F, by adding a section.

Mr. Solon moved that H. F. No. 41, No. 37 on the Calendar, be stricken and placed at the top of General Orders. The motion prevailed.

Mr. Borden, for Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated the following bills a Special Orders Calendar for immediate consideration:

S. F. Nos. 1, 889, 665, 1201, 801, 1238, 1214, 1027, 1394, 1015, 448, 472, 126, 899, 418 and H. F. Nos. 500, 1310, 1180 and 451.

SPECIAL ORDER

H. F. No. 1310: A bill for an act relating to unemployment compensation; providing for conformity with federal requirements; providing for agricultural and domestic service employees; altering covered employment; regulating employer's contributions; providing for the noncharging of certain benefits; providing for extended benefits; providing for certain public employees; allowing certain political activities; amending Minnesota Statutes 1976, Sections 268.04, Subdivisions 10, 12, 22, and 23, and by adding a subdivision; 268.06, Subdivisions 1, 5, 25 and 28, and by adding subdivisions; 268.07, by adding a subdivision; 268.071, Subdivisions 1 and 6; 268.08, Subdivision 5, and by adding subdivisions; 268.09, Subdivision 1; and 268.12, Subdivision 5; repealing Minnesota Statutes 1976, Section 268.08, Subdivision 5; and a portion of Laws 1975, Chapter 433, Section 11, Subdivision 4.

Mr. Laufenburger moved to amend H. F. No. 1310, as amended pursuant to Rule 49, adopted by the Senate May 12, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1422.)

Page 36, after line 29, insert:

"Sec. 15. Minnesota Statutes 1976, Section 268.08, Subdivision 3, is amended to read:

Subd. 3. [NOT ELIGIBLE.] An individual shall not be eligible to receive benefits for any week with respect to which he is receiving, has received, or has filed a claim for remuneration in an amount equal to or in excess of his weekly benefit amount in the form of

(1) termination, severance, or dismissal payment or wages in lieu of notice whether legally required or not; provided that if a termination, severance, or dismissal payment is made in a lump sum, the employer may allocate such lump sum payment over a period of weeks equal to the lump sum divided by the employee's regular pay while employed by such employer; provided any such payment shall be applied for a period of weeks immediately following the last day of work but not to exceed four weeks; or

(2) vacation allowance, except that vacation allowance paid with respect to periods following termination or indefinite separation from employment shall not be treated as deductible income; or

(3) compensation for loss of wages under the worker's compensation law of this state or any other state or under a similar law of the United States, or under other insurance or fund established and paid for by the employer; or

(4) a primary insurance benefit under Title II of the federal social security act, as amended, or similar old age benefits under any act of congress, or this state or any other state, or benefit payments from any fund, annuity, or insurance provided by or through the employer and to which the employer contributes 50 percent or more of the total of the entire premiums or contributions to the fund, except that if a claimant has established a valid claim based on employment subsequent to the effective date of an award, a primary insurance benefit under Title II of the federal social security act, as amended, or similar old age benefits under any act of congress, or this state or any other state, shall not be deductible nor shall remuneration in the form of a pension received as a consequence of service in the armed forces of the United States up to an amount of \$700 monthly or its weekly equivalent shall not effect the eligibility of an employee of the United States to receive benefits.

Provided, that if such remuneration is less than the benefits which would otherwise be due under sections 268.03 to 268.24, he shall be entitled to receive for such week, if otherwise eligible, benefits reduced by the amount of such remuneration; provided, further, that if the appropriate agency of such other state or the federal government finally determines that he is not entitled to such benefits, this provision shall not apply.

Sec. 16. Minnesota Statutes 1976, Section 268.08, Subdivision 4, is amended to read:

Subd. 4. [SOCIAL SECURITY AMOUNT DEDUCTED FROM BENEFITS.] Any claimant aged 62 or over who has not established a valid claim based on employment subsequent to

the effective date of an award for a primary insurance benefit under Title II of the federal social security act, as amended, or similar old age benefits under any act of congress or this state or any other state shall be required to state in writing at the time of the filing of his claim whether he intends to seek Title II social security benefits for any week during which he will receive unemployment benefits, and if he so intends there shall be withheld from his weekly unemployment benefits an amount sufficient to cover the weekly equivalent of his social security benefit. Any claimant disclaiming such intention but who nevertheless receives such social security benefits for weeks for which he previously received unemployment benefits shall be liable for repayment of such unemployment benefits and otherwise subject to the provisions of section 268.18."

Page 47, line 31, strike "15, 18" and insert "17, 20"

Page 47, line 32, strike "19" and insert "21"

Page 48, line 6, strike "16, and 20" and insert "18, and 22"

Page 48, line 7, strike "17" and insert "19"

Renumber the sections in sequence

Amend the title as follows:

Line 9, after the semicolon, insert "changing total disqualification based on receipt of social security;"

Line 15, strike "Subdivision" and insert "Subdivisions 3, 4, and"

The motion prevailed. So the amendment was adopted.

Mr. Laufenburger then moved to amend H. F. No. 1310, as amended pursuant to Rule 49, adopted by the Senate May 12, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1422.)

Page 37, line 10, strike "all"

Page 37, line 10, strike "employees of the"

Page 37, line 11, strike "and the" and insert "or"

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

Mr. Laufenburger then moved to amend H. F. No. 1310, as amended pursuant to Rule 49, adopted by the Senate May 12, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1422.)

Page 39, line 2, strike "except" and insert "or"

The motion prevailed. So the amendment was adopted.

Mr. Laufenburger then moved to amend H. F. No. 1310, as amended pursuant to Rule 49, adopted by the Senate May 12, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1422.)

Page 38, line 13, strike "*service performed*" and insert "*weeks of unemployment*"

Page 38, line 14, after "1977" insert ", *benefits based upon service performed*"

The motion prevailed. So the amendment was adopted.

Mr. Frederick, for Mrs. Brataas, moved to amend H. F. No. 1310, as amended pursuant to Rule 49, adopted by the Senate May 12, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1422.)

Page 39, line 3, after the comma insert "*and for service with a political subdivision with respect to a school,*"

The motion prevailed. So the amendment was adopted.

H. F. No. 1310 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Kleinbaum	Penny	Sillers
Ashbach	Frederick	Knoll	Perpich	Staples
Bang	Gearty	Knutson	Peterson	Stokowski
Benedict	Gunderson	Laufenburger	Purfeerst	Strand
Borden	Hanson	Lessard	Renneke	Ueland, A.
Chmielewski	Hughes	Luther	Schaaf	Ulland, J.
Coleman	Humphrey	Menning	Schmitz	Wegener
Davies	Jensen	Nelson	Setzepfandt	Willet
Dieterich	Johnson	Olhoft	Sieloff	
Dunn	Kirchner	Olson	Sikorski	

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

SPECIAL ORDER

H. F. No. 451: A bill for an act relating to banks; authorizing a bank to establish two detached banking facilities; providing for notice and approval procedures; amending Minnesota Statutes 1976, Sections 47.51; 47.52; 47.53; 47.54; and 47.55.

Mr. Borden moved to amend H. F. No. 451 as follows:

Strike the amendment placed on H. F. No. 451 by the Committee on Commerce, adopted by the Senate May 11, 1977, and amend H. F. No. 451 as follows:

Page 1, line 20, after "*from*" insert "*the closest point of*"

Page 1, line 20, strike "*structure*" and insert "*structures*"

Page 2, strike lines 20 to 22 and insert "*Metropolitan area means the metropolitan area as defined in section 473.121, subdivision 2.*"

Page 2, line 25, after "[AUTHORIZATION.] insert "(a)"

Page 2, line 26, after "bank" insert ", *located outside the metropolitan area,*"

Page 2, line 27, strike "two" and insert "three"

Page 3, line 1, strike "municipality" and insert "county"

Page 3, line 2, strike everything after "located" and insert a period

Page 3, strike lines 3 to 7

Page 3, line 8, strike "bank ." and insert:

"(b) With the prior approval of the commissioner, any bank, located within the metropolitan area, doing business in this state, may establish and maintain one or more detached facilities, provided the facilities are located within the metropolitan area.

(c)"

Page 3, strike lines 10 and 11

Page 3, line 12, strike "bank is located" and insert "and"

Page 3, line 13, strike "and"

Page 3, strike line 14

Page 3, line 15, strike "*feet to the principal office of any other bank*"

Page 3, line 17, strike "two"

Page 3, line 17, strike "sentences" and restore the stricken "sentence"

Page 3, line 24, strike "deposit"

Page 3, line 27, after "applications" insert ", *making and closing loans*"

Page 5, line 5, strike "at his office"

Page 5, line 15, after the period insert "*The hearing shall be conducted by the commissioner in accordance with the provisions of the administrative procedure act, Minnesota Statutes, Sections 15.0411 to 15.052, governing contested cases, including the provisions of the act relating to judicial review of agency decisions.*"

Page 6, line 5, after "bank" insert "*having its principal office located outside the metropolitan area and*"

Page 6, line 6, strike "one" and insert "two"

Page 6, line 7, strike "facility" and insert "*facilities*"

Amend the title as follows:

Line 3, strike "two"

Mr. Penny requested division of the amendment as follows:

First portion:

Strike the amendment placed on H. F. No. 451 by the Committee on Commerce, adopted by the Senate May 11, 1977.

Second portion:

Page 1, line 20, after "from" insert "*the closest point of*"

Page 1, line 20, strike "structure" and insert "structures"

Page 2, strike lines 20 to 22 and insert "*Metropolitan area means the metropolitan area as defined in section 473.121, subdivision 2.*"

Page 2, line 25, after "[AUTHORIZATION.]" insert "(a)"

Page 2, line 26, after "bank" insert "*, located outside the metropolitan area,*"

Page 2, line 27, strike "two" and insert "three"

Page 3, line 1, strike "municipality" and insert "county"

Page 3, line 2, strike everything after "located" and insert a period

Page 3, strike lines 3 to 7

Page 3, line 8, strike "bank ." and insert:

"(b) With the prior approval of the commissioner, any bank, located within the metropolitan area, doing business in this state, may establish and maintain one or more detached facilities, provided the facilities are located within the metropolitan area.

(c)"

Page 3, strike lines 10 and 11

Page 3, line 12, strike "bank is located" and insert "and"

Page 3, line 13, strike "and"

Page 3, strike line 14

Page 3, line 15, strike "*feet to the principal office of any other bank*"

Page 3, line 17, strike "two"

Page 3, line 17, strike "sentences" and insert "sentence"

Page 3, line 24, strike "deposit"

Page 3, line 27, after "applications" insert "*, making and closing loans*"

Page 5, line 5, strike "at his office "

Page 5, line 15, after the period insert "*The hearing shall be conducted by the commissioner in accordance with the provisions of*

the administrative procedure act, Minnesota Statutes, Sections 15.0411 to 15.052, governing contested cases, including the provisions of the act relating to judicial review of agency decisions."

Page 6, line 5, after "bank" insert "having its principal office located outside the metropolitan area and"

Page 6, line 6, strike "one" and insert "two"

Page 6, line 7, strike "facility" and insert "facilities"

Amend the title as follows:

Line 3, strike "two"

The question was taken on the first portion of the Borden amendment.

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Kleinbaum	Pillsbury	Spear
Ashbach	Frederick	Knutson	Purfeerst	Staples
Bang	Gearty	Lessard	Renneke	Stokowski
Benedict	Gunderson	Luther	Schaaf	Strand
Bernhagen	Hanson	Menning	Schmitz	Ueland, A.
Borden	Hughes	Nelson	Setzepfandt	Ulland, J.
Chmielewski	Humphrey	Olhoft	Sieloff	Vega
Davies	Jensen	Olson	Sikorski	Wegener
Dieterich	Johnson	Penny	Sillers	Willet
Dunn	Kirchner	Peterson	Solon	

The motion prevailed. So the first portion of the Borden amendment was adopted.

The question was taken on the second portion of the Borden amendment.

Mr. Kirchner moved that those not voting be excused from voting.

The question was taken on adoption of the Kirchner motion.

The roll was called, and there were yeas 13 and nays 22, as follows:

Those who voted in the affirmative were:

Chmielewski	Kirchner	Ogdahl	Renneke	Sieloff
Dieterich	Kleinbaum	Olhoft	Schmitz	Ueland, A.
Jensen	Knutson	Penny		

Those who voted in the negative were:

Borden	Keefe, S.	Nelson	Sillers	Tennessee
Coleman	Luther	Olson	Spear	Ulland, J.
Gearty	Menning	Peterson	Staples	
Hanson	Merriam	Setzepfandt	Stokowski	
Humphrey	Moe	Sikorski	Stumpf	

The motion did not prevail.

Mr. Borden moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 32 and nays 29, as follows:

Those who voted in the affirmative were:

Bang	Gunderson	Lewis	Peterson	Staples
Borden	Hanson	Luther	Schaaf	Stumpf
Brataas	Humphrey	Merriam	Setzepfandt	Tennessee
Coleman	Johnson	Milton	Sikoraki	Ulland, J.
Davies	Keefe, S.	Moe	Sillers	
Dunn	Kleinbaum	Nelson	Solon	
Gearty	Knoll	Perpich	Spear	

Those who voted in the negative were:

Anderson	Frederick	Laufenburger	Pillsbury	Strand
Aashbach	Hughes	Leesard	Purfeerst	Ueland, A.
Benedict	Jensen	Menning	Renneke	Vega
Bernhagen	Keefe, J.	Olhoft	Schmitz	Wegener
Chmielewski	Kirchner	Olson	Sieloff	Willet
Dieterich	Knutson	Penny	Stokowski	

The motion prevailed. So the second portion of the Borden amendment was adopted.

H. F. No. 451 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 46 and nays 11, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Menning	Pillsbury	Staples
Bang	Humphrey	Merriam	Purfeerst	Stokowski
Bernhagen	Jensen	Milton	Schaaf	Strand
Borden	Johnson	Moe	Schmitz	Stumpf
Brataas	Keefe, S.	Nelson	Setzepfandt	Ueland, A.
Coleman	Kleinbaum	Ogdahl	Sieloff	Ulland, J.
Dieterich	Knoll	Olson	Sikoraki	
Dunn	Knutson	Penny	Sillers	
Gearty	Lewis	Perpich	Solon	
Gunderson	Luther	Peterson	Spear	

Those who voted in the negative were:

Benedict	Kirchner	Leesard	Renneke	Wegener
Chmielewski	Laufenburger	Olhoft	Vega	Willet
Hughes				

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

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.

Pursuant to Rule 21, Mr. Coleman moved that the following members be excused for a Conference Committee on S. F. No. 1416:

Messrs. Lewis, Perpich, Milton, Moe and Kirchner. The motion prevailed.

SPECIAL ORDER

S. F. No. 801: A bill for an act relating to health care; catastrophic health expense protection, providing protection against certain nursing home expenses incurred for long term care; excluding certain dependent income from the definition of household income; amending Minnesota Statutes 1976, Sections 62E.52, Subdivisions 2 and 5, and by adding a subdivision; and 62E.53, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 40 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Laufenburger	Purfeerst	Staples
Benedict	Gunderson	Lessard	Renneke	Stokowski
Bernhagen	Hughes	Luther	Schaaf	Strand
Brataas	Humphrey	Menning	Schmitz	Stumpf
Coleman	Johnson	Olhoft	Setzepfandt	Tennessee
Dieterich	Keefe, S.	Olson	Sieloff	Ueland, A.
Engler	Knoll	Penny	Sikorski	Ulland, J.
Frederick	Knutson	Peterson	Spear	Willet

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 1394: A bill for an act relating to taxation; continuing certain tax incentives for pollution control equipment; amending Minnesota Statutes 1976, Section 290.06, Subdivision 9.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 42 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Luther	Schaaf	Strand
Ashbach	Gunderson	Menning	Schmitz	Stumpf
Benedict	Humphrey	Moe	Setzepfandt	Tennessee
Bernhagen	Johnson	Olhoft	Sieloff	Ueland, A.
Chmielewski	Keefe, S.	Olson	Sikorski	Ulland, J.
Coleman	Knoll	Penny	Sillers	Willet
Dieterich	Knutson	Peterson	Spear	
Engler	Laufenburger	Purfeerst	Staples	
Frederick	Lessard	Renneke	Stokowski	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 472: A bill for an act relating to retirement; additional employer contributions to amortize the deficit in the teachers' retirement fund; amending Minnesota Statutes 1976, Section 354.42, Subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lewis	Peterson	Staples
Bang	Hughes	Luther	Purfeerst	Stokowski
Bernhagen	Humphrey	Menning	Renneke	Strand
Borden	Johnson	Milton	Schaaf	Stumpf
Brataas	Keefe, J.	Moe	Schmitz	Tennessee
Chmielewski	Keefe, S.	Ogdahl	Setzepfandt	Ueland, A.
Coleman	Kirchner	Olhoft	Sieloff	Ulland, J.
Dieterich	Knoll	Olson	Sikorski	Willet
Dunri	Laufenburger	Penny	Sillers	
Engler	Lessard	Perpich	Spear	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 448: A bill for an act relating to public safety; requiring implementation of 911 emergency telephone systems; providing for standards and waivers; appropriating money.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Perpich	Spear
Bang	Frederick	Laufenburger	Peterson	Staples
Benedict	Gearty	Lessard	Purfeerst	Stokowski
Bernhagen	Hughes	Lewis	Renneke	Strand
Borden	Humphrey	Luther	Schaaf	Stumpf
Brataas	Johnson	Menning	Schmitz	Ueland, A.
Chmielewski	Keefe, J.	Milton	Setzepfandt	Ulland, J.
Coleman	Keefe, S.	Moe	Sieloff	Willet
Dieterich	Kirchner	Olhoft	Sikorski	
Dunn	Knoll	Penny	Sillers	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 126: A bill for an act relating to taxation; providing for the taxation of unemployment compensation benefits if the benefits and federal gross income exceeds \$15,000; amending Minnesota Statutes 1976, Sections 290.01, Subdivision 20; and 290.56, Subdivision 1.

Mr. Keefe, S. moved that S. F. No. 126 be stricken and referred to the Committee on Employment.

CALL OF THE SENATE

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

Anderson	Gearty	Knutson	Penny	Staples
Benedict	Gunderson	Laufenburger	Peterson	Stokowski
Bernhagen	Hanson	Lessard	Purfeerst	Strand
Borden	Hughes	Lewis	Renneke	Stumpf
Brataas	Humphrey	Luther	Schaaf	Tennessee
Chmielewski	Johnson	Menning	Schmitz	Ueland, A.
Coleman	Keefe, J.	Merriam	Setzepfandt	Ulland, J.
Dieterich	Keefe, S.	Milton	Sieloff	Vega
Dunn	Kirchner	Nelson	Sikorski	Willet
Engler	Kleinbaum	Ogdahl	Sillers	
Frederick	Knoll	Olhoff	Spear	

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

The question recurred on the Keefe, S. motion.

The roll was called, and there were yeas 16 and nays 36, as follows:

Those who voted in the affirmative were:

Borden	Keefe, S.	Laufenburger	Milton	Staples
Hughes	Kleinbaum	Lewis	Purfeerst	Stumpf
Humphrey	Knoll	Luther	Spear	Vega
Johnson				

Those who voted in the negative were:

Anderson	Engler	Merriam	Schaaf	Tennessee
Bang	Gearty	Nelson	Schmitz	Ueland, A.
Benedict	Gunderson	Ogdahl	Setzepfandt	Ulland, J.
Bernhagen	Keefe, J.	Olhoff	Sieloff	Willet
Brataas	Kirchner	Olson	Sillers	
Coleman	Knutson	Penny	Solon	
Dieterich	Lessard	Peterson	Stokowski	
Dunn	Menning	Renneke	Strand	

The motion did not prevail.

S. F. No. 126 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 38 and nays 19, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Lessard	Peterson	Stokowski
Ashbach	Gearty	Menning	Renneke	Strand
Bang	Gunderson	Merriam	Schaaf	Tennessee
Bernhagen	Hanson	Moe	Schmitz	Ueland, A.
Brataas	Keefe, J.	Nelson	Setzepfandt	Ulland, J.
Coleman	Kirchner	Olhoff	Sieloff	Willet
Dieterich	Kleinbaum	Olson	Sikorski	
Dunn	Knutson	Penny	Solon	

Those who voted in the negative were:

Benedict	Humphrey	Laufenburger	Ogdahl	Staples
Chmielewski	Johnson	Lewis	Purfeerst	Stumpf
Frederick	Keefe, S.	Luther	Sillers	Vega
Hughes	Knoll	Milton	Spear	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 899: A bill for an act relating to nursing homes; clarifying requirements for administration and inspections; changing provisions for reimbursement of expenses for interest on capital indebtedness; deleting certain provisions and adding new provisions on investment allowance; providing depreciation allowances; providing for reimbursable expenses; providing for a study on nursing assistant training; amending Minnesota Statutes 1976, Sections 144.652, Subdivision 2; 144A.04, Subdivision 3; 144A.05; 144A.10, Subdivisions 2 and 5; 144A.61, Subdivision 6; 214.10, by adding a subdivision; 256B.27, by adding a subdivision; 256B.43, by adding a subdivision; 256B.44, Subdivisions 2 and 3; 256B.45, Subdivisions 1 and 4; 256B.47, Subdivisions 1 and 2; 256B.48, Subdivision 1; and repealing Minnesota Statutes 1976, Section 256B.45, Subdivisions 2 and 3.

Mr. Keefe, J. moved to amend S. F. No. 899 as follows:

Page 2, after line 27, insert:

"Sec. 2. Minnesota Statutes 1976, Section 144A.04, Subdivision 5, is amended to read:

Subd. 5. Except as otherwise provided by this subdivision, a nursing home must have a full time licensed nursing home administrator serving the facility. In any nursing home of less than 25 beds, the director of nursing services may also serve as the licensed nursing home administrator. Two nursing homes having a total of 100 beds or less and located within 50 miles of each other may share the services of a licensed administrator if the administrator divides his full time work week between the two facilities in proportion to the number of beds in each facility. *A nonproprietary retirement home having less than 15 licensed nursing home beds may share the services of a licensed administrator with a nonproprietary nursing home having less than 150 licensed nursing home beds which is located within 25 miles of the retirement home.* 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 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.

Renumber the sections in sequence

Amend the title as follows:

Line 11, strike "Subdivision 3" and insert "Subdivisions 3 and 5"

The motion prevailed. So the amendment was adopted.

Mr. Anderson moved to amend S. F. No. 899 as follows:

Page 11, after line 8, insert:

"Sec. 19. [NURSING HOME REVENUE BONDS.] *Subdivision 1. [AUTHORIZATION.] The board of commissioners of Chisago county may by resolution sell and issue revenue bonds of the county in the amount of \$1,500,000 to finance the acquisition and betterment of additional facilities for the county nursing home, comprising apartment units.*

Subd. 2. [ADMINISTRATION AND RENTAL OF APARTMENT UNITS.] *The apartment units shall be constructed in close proximity to existing county nursing home facilities, and administered together with the existing facilities as part of an overall program for the care of aged and infirm persons. The board of commissioners may rent the apartment units to persons applying for entrance to the county nursing home, or to other elderly persons of low and moderate income who may require use of nursing home facilities, on the terms and conditions the board deems advisable.*

Subd. 3. [ELIGIBILITY.] *The county may by ordinance adopt regulations establishing age, health and income eligibility requirements for the rental of the apartment units. The regulations may provide different rental terms and conditions for persons of different ages, health conditions and incomes.*

Subd. 4. [BOND SECURITY, REFERENDUM PETITION.] *The bonds shall be issued and secured in accordance with the provisions of Minnesota Statutes, Chapter 475, relating to obligations payable wholly from the income of revenue producing public conveniences. The board of commissioners may pledge and appropriate the revenues to be derived from operation of the nursing home facilities to pay the principal and interest on the bonds when due and to create and maintain reserves for that purpose, as a first and prior lien on all such revenues or, if so provided in the bond resolution, as a lien thereon subordinate to the current payment of a fixed amount or percentage or all of the annual costs of the operation, administration, and maintenance of the facilities. Revenue bonds shall not be included in the district's net debt for the purpose of any limitation. In the issuance of such bonds the revenues or lease rentals from any or all facilities may be pledged and appropriated by resolution for the use and benefit of the bondholders, or may be pledged by the execution of an indenture or other appropriate instrument to a trustee for the bondholders. The county board shall have power to make and enter into any and all covenants with the bondholders or trustee which are determined by it to be necessary or*

proper to assure the marketability of the bonds, the completion of the facilities, the segregation of the revenues or rentals and any other funds pledged, and the sufficiency thereof for the prompt and full payment of all bonds and interest."

Page 11, line 11, before "This" insert:

"Subdivision 1. Section 19 is effective upon approval by a majority of the board of commissioners of Chisago county, and upon compliance with Minnesota Statutes, Section 645.021.

Subd. 2. The remainder of"

Renumber the sections in sequence

Amend the title as follows:

Line 9, after the semicolon, insert "authorizing Chisago county to issue revenue bonds to finance the cost of facilities for the county nursing home; providing for the administration and rental of the facilities;"

The motion prevailed. So the amendment was adopted.

Mr. Ashbach moved to amend S. F. No. 899 as follows:

Page 8, line 4, strike "directly" and insert "reasonably"

Page 8, line 21, strike "directly" and insert "reasonably"

The motion prevailed. So the amendment was adopted.

Mr. Peterson moved to amend S. F. No. 899 as follows:

Page 5, after line 30, insert:

"Sec. 10. Minnesota Statutes 1976, Section 256B.42, Subdivision 2, is amended to read:

Subd. 2. "Facility" means the building in which a nursing home is located, *the land upon which such building is located*, and all permanent fixtures attached to it. "Facility" does not include the land or any supplies and equipment which are not fixtures. "Facility", for purposes of calculating depreciation only, does not include the land upon which buildings are located."

Renumber the sections in sequence

Amend the title as follows:

Line 14, after the semicolon, insert "256B.42, Subdivision 2;"

Mr. Ashbach moved to amend the Peterson amendment to S. F. No. 899 as follows:

In the second line of Subd. 2, after "land" strike "upon which such building is located" and insert "reasonably necessary for operation of the facility"

CALL OF THE SENATE

Mr. Milton imposed a call of the Senate for the balance of the proceedings on S. F. No. 899. The following Senators answered to their names:

Anderson	Hanson	Lessard	Peterson	Stokowski
Ashbach	Hughes	Lewis	Purfeerst	Strand
Borden	Humphrey	Luther	Renneke	Stumpf
Chmielewski	Johnson	Menning	Schmitz	Tennessee
Davies	Keefe, J.	Merriam	Setzepfandt	Ueland, A.
Dieterich	Keefe, S.	Milton	Sieloff	Ulland, J.
Dunn	Kirchner	Moe	Sikorski	Vega
Engler	Kleinbaum	Nelson	Sillers	Willet
Frederick	Knoll	Olhoft	Spear	
Gunderson	Knutson	Perpich	Staples	

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

The question recurred on the Ashbach amendment to the Peterson amendment.

The roll was called, and there were yeas 37 and nays 14, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Laufenburger	Peterson	Stokowski
Bang	Gunderson	Lessard	Purfeerst	Strand
Brataas	Hughes	Merriam	Renneke	Ueland, A.
Chmielewski	Humphrey	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Sieloff	Willet
Dunn	Kirchner	Olhoft	Sillers	
Engler	Kleinbaum	Penny	Solon	
Frederick	Knutson	Perpich	Staples	

Those who voted in the negative were:

Borden	Johnson	Luther	Setzepfandt	Stumpf
Dieterich	Knoll	Menning	Sikorski	Vega
Hanson	Lewis	Milton	Spear	

The motion prevailed. So the amendment to the Peterson amendment was adopted.

The question recurred on the Peterson amendment as amended.

Mr. Milton moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 27 and nays 28, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Laufenburger	Renneke	Ueland, A.
Bang	Gunderson	Lessard	Schmitz	Ulland, J.
Brataas	Humphrey	Olhoft	Setzepfandt	Willet
Chmielewski	Kirchner	Penny	Sieloff	
Dunn	Kleinbaum	Peterson	Sillers	
Engler	Knutson	Purfeerst	Strand	

Those who voted in the negative were:

Anderson	Hanson	Lewis	Nelson	Stokowski
Borden	Hughes	Luther	Perpich	Stumpf
Coleman	Johnson	Menning	Sikorski	Tennessee
Davies	Keefe, J.	Merriam	Solon	Vega
Dieterich	Keefe, S.	Milton	Spear	
Gearty	Knoll	Moe	Staples	

The motion did not prevail. So the amendment, as amended was not adopted.

Mr. Borden moved to amend S. F. No. 899 as follows:

Page 5, strike section 8 and insert:

"Sec. 8. Minnesota Statutes 1976, Chapter 144A, is amended by adding a section to read:

[144A.255] [ADDITIONAL MANDATORY PROCEEDINGS.] *The board shall initiate proceedings to suspend or revoke a license or shall refuse to renew a license of a person licensed by the board who is convicted in a court of competent jurisdiction of violating sections 609.23, 609.231, 609.465, 609.466, 609.52 or 626.555."*

Amend the title as follows:

Page 1, line 13, strike "214.10, by adding a subdivision;"

Page 1, line 17, before the second "and" insert "Chapter 144A, by adding a section;"

The motion prevailed. So the amendment was adopted.

S. F. No. 899: A bill for an act relating to nursing homes; clarifying requirements for administration and inspections; changing provisions for reimbursement of expenses for interest on capital indebtedness; deleting certain provisions and adding new provisions on investment allowance; providing depreciation allowances; providing for reimbursable expenses; providing for a study on nursing assistant training; authorizing Chisago county to issue revenue bonds to finance the cost of facilities for the county nursing home; providing for the administration and rental of the facilities; amending Minnesota Statutes 1976, Sections 144.652, Subdivision 2; 144A.04, Subdivisions 3 and 5; 144A.05; 144A.10, Subdivisions 2 and 5; 144A.61, Subdivision 6; 256B.27, by adding a subdivision; 256B.43, by adding a subdivision; 256B.44, Subdivisions 2 and 3; 256B.45, Subdivisions 1 and 4; 256B.47, Subdivisions 1 and 2; 256B.48, Subdivision 1; Chapter 144A, by adding a section; and repealing Minnesota Statutes 1976, Section 256B.45, Subdivisions 2 and 3.

Was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Penny	Spear
Ashbach	Gearty	Knutson	Perpich	Staples
Bang	Gunderson	Laufenburger	Peterson	Stokowski
Borden	Hanson	Lessard	Purfeerst	Strand
Brataas	Hughes	Lewis	Renneke	Stumpf
Chmielewski	Humphrey	Luther	Schmitz	Tennessee
Coleman	Johnson	Menning	Setzepfandt	Ueland, A.
Davies	Keefe, J.	Milton	Sieloff	Ulland, J.
Dieterich	Keefe, S.	Moe	Sikorski	Vega
Dunn	Kirchner	Nelson	Sillers	Willet
Engler	Kleinbaum	Olhoft	Solon	

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

SPECIAL ORDER

S. F. No. 1027: A bill for an act relating to the organization and operation of state government; education; changing the membership of the higher education coordinating board; prescribing additional duties for the board; restricting the staff of the board; appropriating money; amending Minnesota Statutes 1976, Sections 136A.02, Subdivisions 1, 1a, and 2; 136A.03; 136A.04; 136A.05; and 136A.07.

Mr. Hughes moved to amend S. F. No. 1027, as follows:

Page 9, lines 4 and 5, delete "*board of governors for post-secondary and*"

Page 9, line 5, after "*education*" insert "*coordinating board*"

The motion prevailed. So the amendment was adopted.

Mr. Davies moved to amend S. F. No. 1027 as follows:

Page 6, strike lines 29 to 32

Page 7, strike lines 1 to 18

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

Mr. Davies then moved to amend S. F. No. 1027 as follows:

Page 6, line 4, after the semicolon insert "*and*"

Page 6, strike lines 5 to 23

Page 6, line 24, strike "*(k)*" and insert "*(i)*"

Page 6, line 26, strike "*;* *and*" and reinstate the stricken period

Page 6, strike lines 27 and 28

Page 8, lines 7 and 8, strike the new language

CALL OF THE SENATE

Mr. Tennessee imposed a call of the Senate for the balance of the proceedings on S. F. No. 1027. The following Senators answered to their names:

Anderson	Dunn	Kirchner	Moe	Spear
Bang	Engler	Kleinbaum	Nelson	Stokowski
Benedict	Frederick	Knoll	Olhoff	Strand
Borden	Gearty	Knutson	Penny	Stumpf
Brataas	Hanson	Laufenburger	Peterson	Tennessee
Chmielewski	Hughes	Lessard	Purfeerst	Ueland, A.
Coleman	Humphrey	Lewis	Renneke	Ulland, J.
Davies	Johnson	Luther	Schmitz	Willet
Dieterich	Keefe, S.	Milton	Sieloff	

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

The question recurred on the Davies amendment.

Mr. Hughes moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 21 and nays 27, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Laufenburger	Renneke	Ulland, J.
Bang	Keefe, J.	Lewis	Sieloff	
Brataas	Kirchner	Luther	Spear	
Davies	Knoll	Ogdahl	Tennessee	
Engler	Knutson	Olhoff	Ueland, A.	

Those who voted in the negative were:

Anderson	Gearty	Keefe, S.	Peterson	Stokowski
Benedict	Gunderson	Kleinbaum	Purfeerst	Strand
Chmielewski	Hanson	Lessard	Schmitz	Stumpf
Coleman	Hughes	Milton	Setzepfandt	
Dieterich	Humphrey	Moe	Sillers	
Dunn	Johnson	Nelson	Staples	

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

S. F. No. 1027 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

Mr. Tennessee moved that those not voting be excused from voting. The motion did not prevail.

Mr. Hughes moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 35 and nays 22, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Laufenburger	Nelson	Setzepfandt
Benedict	Hanson	Lessard	Olhoff	Sikoraki
Chmielewski	Hughes	Luther	Olsen	Staples
Coleman	Humphrey	Menning	Perpich	Stokowski
Dieterich	Johnson	Merriam	Peterson	Stumpf
Dunn	Keefe, S.	Milton	Purfeerst	Vega
Gearty	Kleinbaum	Moe	Schmitz	Willet

Those who voted in the negative were:

Ashbach	Frederick	Lewis	Sillers	Ueland, A.
Bang	Keefe, J.	Ogdahl	Solon	Ulland, J.
Brataas	Kirchner	Penny	Spear	
Davies	Knoll	Renneke	Strand	
Engler	Knutson	Sieloff	Tennessee	

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

SUSPENSION OF RULES

Mr. Coleman moved that the rules of the Senate be so far suspended that H. F. No. 41 be made a Special Order for immediate consideration. The motion prevailed.

SPECIAL ORDER

H. F. No. 41: A bill for an act relating to public safety; requiring fire detection devices in certain residential housing; directing the commissioner of administration to amend the state building code; amending Minnesota Statutes 1976, Section 16.85, Subdivision 1; and Chapter 299F, by adding a section.

Mr. Davies moved to amend H. F. No. 41 as follows:

Page 5, line 14, before the period insert "*except that, as to new construction, a local unit of government may require that smoke detectors be attached to a centralized electrical power source*"

The motion prevailed. So the amendment was adopted.

H. F. No. 41 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 40 and nays 7, as follows:

Those who voted in the affirmative were:

Benedict	Hanson	Lessard	Peterson	Stokowski
Chmielewski	Hughes	Luther	Schmitz	Strand
Coleman	Humphrey	Menning	Setzepfandt	Stumpf
Davies	Johnson	Moe	Sieloff	Tennessee
Dieterich	Keefe, J.	Nelson	Sikorski	Ueland, A.
Dunn	Kirchner	Ogdahl	Solon	Ulland, J.
Gearty	Kleinbaum	Olson	Spear	Vega
Gunderson	Laufenburger	Penny	Staples	Willett

Those who voted in the negative were:

Bang	Engler	Knutson	Olhoft	Renneke
Brataas	Frederick			

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 to 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

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. 32 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 32: A bill for an act relating to shade tree disease control; authorizing grants for municipal shade tree removal and reforestation programs; authorizing a shade tree disease control research program; appropriating money; amending Minnesota Statutes 1976, Sections 18.023, Subdivisions 1, 1a, 2, 3a, 4, 7, 8 and 11, and adding a subdivision; 116.07, Subdivision 4; and 275.50, by adding a subdivision; repealing Minnesota Statutes 1976, Section 18.023, Subdivision 6.

Senate File No. 32 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1977

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. 1337 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		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1337	1214				

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. Moe from the Committee on Finance, to which was referred

H. F. No. 789: A bill for an act relating to elections; establishing voter registration in all counties; changing required voter registration information; providing for reports of changes; amending Minnesota Statutes 1976, Sections 201.061, Subdivisions 3 and 6; 201.071; 201.091, by adding a subdivision; 201.14; 201.15; 201.27; 204A.37, Subdivision 1; 204A.46, Subdivision 2; and Chapter 201, by adding a section; repealing Minnesota Statutes 1976, Section 201.061, 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 1976, Section 201.021, is amended to read:

201.021 [PERMANENT REGISTRATION SYSTEM.] A permanent system of voter registration by county is established. Any county containing no city with a population of 10,000 or more may by resolution of the county board be exempted from the provisions of sections 201.021 to 201.221. The county auditor shall be chief registrar of voters and the chief custodian of the official registration records in each county.

Sec. 2. Minnesota Statutes 1976, Section 201.061, Subdivision 3, is amended to read:

Subd. 3. A person who on election day presents himself at the polling place for the precinct in which he resides and who is not registered but is otherwise eligible to vote may nevertheless vote upon registering. A person may register at this time by completing a registration card, making an oath in the form prescribed by the commissioner and providing proof of his residence. An individual may prove his residence by (1) the showing of his drivers license or nonqualification certificate issued pursuant to section 171.07, or (2) providing any document approved by the commissioner as proper identification, or (3) having an individual who is registered to vote in the precinct sign an oath in the presence of the election judge that he personally knows that the applicant is a resident of the precinct. Forms for the card and oath shall be available at each polling place. *When an individual signs an oath that he personally knows that an applicant is a resident of the precinct the oath shall be attached to the applicant's registration card until the address of the applicant is verified by the county auditor.* Forms used pursuant to this section shall be forwarded to the auditor who shall, unless the information forwarded is substantially deficient, add the name of the voter to the registration system. If the auditor finds a registration pursuant to this subdivision substantially deficient he shall give written notice to the person whose registration is found deficient.

Sec. 3. Minnesota Statutes 1976, Section 201.061, Subdivision 6, is amended to read:

Subd. 6. Each eligible voter is entitled to vote only in the one precinct in which he resides. The judges of election in any election precinct may not receive the vote at any election of any person whose name is not registered in accordance with the provisions of Laws 1973, Chapter 676. *The auditor shall supply the judges in each precinct with an accurate map or precinct finder of the precinct to assist them in determining whether a newly registering voter is registering in the proper precinct.*

Sec. 4. Minnesota Statutes 1976, Section 201.071, is amended to read:

201.071 [REGISTRATION CARDS.] Subdivision 1. Registration cards shall be manila or cardboard cards of size and weight suitable for mailing, and shall be substantially in the following form:

VOTERS REGISTRATION CARD

(Please print or type)

Date:

1. Name: Last First Middle Initial

2. Address: Street or Route No. (do not use P.O. Box)

City (or Township) County Zip

3. Telephone Number (optional) :

4. Most Recent Prior Residence

Street or Route Number

City (or Township) Zip

Date of birth (optional):

5. Most recent prior registration Last registration if any

Street or Route Number

City (or Township) Zip

6. I certify that I will be at least 18 years old on election day and that the above facts are correct. I understand that giving false information to procure a registration is a felony punishable by not more than five years imprisonment and a fine of not more than \$5,000, or both.

Signature of Voter

Subd. 2. When made available for potential registrants the registration card shall be accompanied by instructions specifying the manner and method of registration and stating the qualifications for an eligible voter and specifying penalties for false registration.

Subd. 3. No registration is faulty or defective if the registration card contains the voter's name, address, prior residence, prior registration if any and signature, as in items 1, 2, 4, 5 and 6 of the registration card above. The absence of a zip code number does not cause the registration to be faulty or defective. The judges of election may request a voter to complete a registration card that is incomplete or illegible. No voter may be prevented from voting unless his registration is faulty or defective or he is duly and successfully challenged in accordance with provisions of this chapter.

Subd. 4. Upon receipt of a registration card indicating that a

voter has changed residence since voting last in Minnesota, a county auditor shall notify the county auditor of the voter's last registration and of last residence if different than last registration. Notification shall be made upon a form prescribed by the commissioner. A county auditor receiving a notification shall delete the voter's name from the registration lists and affix the notification to the cancelled registration card.

Sec. 5. Minnesota Statutes 1976, Section 201.091, is amended by adding a subdivision to read:

Subd. 2b. [DUPLICATE REGISTRATION FILE, INSPECTION.] Subject to reasonable rules and regulations, the duplicate registration file shall be open to public inspection, but no public inspection shall be permitted or allowed that will disarrange the registration files. No person to whom a file of registered electors is made available under this subdivision and no person who acquires a list of registered electors prepared from the file may use any information contained therein for purposes which are not related to elections, political activities, or law enforcement.

Sec. 6. Minnesota Statutes 1976, Section 201.091, Subdivision 6, is amended to read:

Subd. 6. Each county auditor shall determine a number of public buildings located within the county, and not less than one location per 30,000 residents, where eligible voters may register by completing a registration card and leaving it with an official within the building whose duty it shall be to transmit the cards to the appropriate county auditor. All such locations shall remain open until 9:00 P.M. on the last registration day and for at least two days not including Saturdays, Sundays, and legal holidays immediately preceding the last registration day, and shall also remain open from 10:00 A.M. to 4:00 P.M. on the Saturday immediately preceding the last registration day. An adequate supply of registration cards shall be maintained at the locations determined.

Sec. 7. Minnesota Statutes 1976, Section 201.14, is amended to read:

201.14 [CLERK OF DISTRICT COURT, REPORT CHANGES OF NAMES.] The clerk of district court in each county in the state shall report monthly to the county auditor the name and address of each person, 18 years of age or over, residing in such municipality that county whose name shall have been changed during the month preceding the date of the report, by marriage, divorce or any order or decree of such court. Upon receipt of such report, the auditor shall notify such voter by mail that it is necessary for him to re-register under such changed name in order to vote at an election.

Sec. 8. Minnesota Statutes 1976, Chapter 201, is amended by adding a section to read:

[201.161] [DRIVER'S LICENSE CHANGES.] *When a person notifies the department of public safety of a change of domicile or name and applies for a corrected duplicate driver's license*

pursuant to section 171.11, the department shall transmit to the applicant a voters registration card together with instructions for completing the card and returning it by mail to the appropriate county auditor. Voters registration cards shall also be available from clerks and agents who receive applications pursuant to sections 171.06 and 171.07. Voters registration cards required to carry out the provisions of this section shall be provided to the department of public safety at no cost by the secretary of state.

Sec. 9. [APPROPRIATION.] *The sum of \$12,000 is appropriated from the general fund to the secretary of state for the purpose of providing voters registration cards pursuant to section 8. This appropriation shall not lapse but shall be available for expenditure until June 30, 1978.*

Sec. 10. Minnesota Statutes 1976, Section 201.061, Subdivision 2, is repealed.

Amend the title as follows:

Line 5, after the semicolon insert "appropriating money;"

Line 6, after "Sections" insert "201.021;"

Line 7, before "by" insert "Subdivision 6, and"

Strike line 8

Line 9, strike "Subdivision 2;"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 679: A bill for an act relating to education; higher education coordinating board; student financial aid; changing certain requirements for scholarships, aids and grants to students; increasing the bonding and loan making authority of the board; transferring the programs of nursing student grants and Indian scholarships to the board; appropriating money; amending Minnesota Statutes 1976, Sections 124.48; 136A.121; 136A.144; 136A.16, Subdivisions 3, 4, 6 and 7; 136A.17, Subdivisions 3, 4, 5, 6, 7 and 8; 136A.171; 136A.233; and Chapter 136A, by adding a section.

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

Page 1, line 18, strike the new language and reinsert the stricken language

Page 1, line 19, strike the new language and reinsert the stricken language

Page 2, strike lines 13 to 17

Pages 10 and 11, strike section 16

Page 12, line 24, after "a" insert "handicapped person or a"

Page 14, line 6, after "full-time" insert "and pursuing a program or course of study leading to a specific degree, diploma or certificate"

Page 15, line 4, strike "\$1,000,000" and insert "\$500,000"

Page 15, line 5, strike "\$1,000,000" and insert "\$500,000"

Page 15, line 7, strike "18" and insert "17"

Renumber the sections in sequence

Further amend the title:

Page 1, line 7, strike "programs" and insert "program"

Page 1, line 8, strike "and Indian scholarships"

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

Mr. Coleman from the Committee on Rules and Administration, makes the following report:

That the permanent rules of the Senate appearing in the Journal for the 21st day be amended as follows:

Rule 62, "Clerk I classification" under "Salary per day" strike the "8" and insert "6" before "@25.65"; strike the "2" and insert "4" before "@\$27.18"

Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

H. F. No. 6: A bill for an act relating to human rights; prohibiting employment and education discrimination based on age; amending Minnesota Statutes 1976, Sections 363.01, by adding a subdivision; 363.02, Subdivision 1, and by adding a subdivision; 363.03, Subdivisions 1 and 5, and by adding a subdivision; 363.05, Subdivision 1; 363.11; 363.115; and 363.12, Subdivision 1.

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

Page 10, after line 27, insert:

"Sec. 12. [APPROPRIATIONS.] *The sums set forth in this section are appropriated from the general fund to the commissioner of human rights for the processing of age discrimination complaints as provided for by this act, to be available for the fiscal year ending June 30 in the year indicated. The approved complement of the department of human rights is increased by three persons.*

1978	1979
\$50,000	\$50,000"

Amend the title in line 3 after "age;" insert "appropriating money;"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 743: A bill for an act relating to health; establishing a health program for pre-school children; providing for payments to school districts; appropriating money.

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

Page 1, line 22, after the period insert:

"No school board may make this screening examination a mandatory prerequisite to enroll a student."

Page 2, line 14, after "parents" insert "and school"

Page 2, line 15, strike "and follow-up shall occur in accordance"

Page 2, strike line 16

Page 2, line 17, strike "subdivision 1"

Page 2, after line 19, insert:

"Subd. 4. Every school board shall contract with or purchase service from the approved EPS program in the area wherever possible."

Renumber the following subdivisions

Page 2, line 27, strike "The state board"

Page 2, strike lines 28 through 32

Page 3, line 1, strike "subdivision 5" and insert "A school board shall administer the screening programs pursuant to rules adopted by the state board of education. In order to implement the programs for the 1977-1978 school year, the state board shall, no later than August 15, 1977, adopt emergency rules in accordance with section 15.0412, subdivision 5. Prior to the adoption of the rules and emergency rules, the state board shall solicit information or opinions pursuant to section 15.0412, subdivision 6. The notice of proposed rule-making shall be published in the state register no later than August 1, 1977, and copies of the proposed rules and emergency rules shall be sent to the state board of health and each school board in the state on or before the date of publication"

Page 3, line 1, strike "consider" and insert "adopt"

Page 3, line 2, strike the first "of" and insert "employed by"

Page 3, lines 3 and 4, strike "establishing these procedures" and insert "drafting the proposed rules"

Page 3, line 6, after "provide" insert "technical assistance, including training, and general"

Page 3, line 10, strike "success" and insert "results"

Page 3, line 18, after "appropriate" insert "health"

Page 3, line 19, after "and" insert "their families"

Page 3, line 19, strike "appropriate health"

Page 3, line 20, strike "education programs for the district"

Page 3, line 28 to Page 4, line 17, strike all of Section 6 and insert:

"Sec. 6. [APPROPRIATION.] Subdivision 1. The sums set forth in this section are appropriated from the general fund to the agencies and for the purposes indicated, to be available for the fiscal year ending June 30 in the years indicated.

	1978	1979
Subd. 2. Department of Education		
(a) For consultation with school districts and evaluation of screening programs established pursuant to section 3, subdivision 1	\$ 50,000	\$ 50,000
The approved complement of the department of education is increased by 2.5 persons.		
(b) For payments to school districts pursuant to section 5	650,000	1,200,000
Subd. 3. Department of Health	97,395	106,895

For training staff to provide screening services, providing technical assistance to screening programs, and monitoring and evaluation of screening programs, all pursuant to this act.

The approved complement of the department of health is increased by 3 positions."

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 514: A bill for an act relating to victims of crime; directing the commissioner of corrections to establish crime victim crisis centers; appropriating money.

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1444: A bill for an act relating to the Minnesota state water pollution control fund; clarifying eligibility for 15 percent matching grants financed by the fund; eliminating certain matching grants; authorizing the issuance of Minnesota state water pollution control bonds; appropriating money; amending Minnesota Statutes 1976, Sections 116.16, Subdivision 6; and 116.18, Subdivisions 1 and 4.

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 137: A bill for an act relating to health; 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 12, strike "1977, and \$96,000 during the"

Page 1, line 13, strike "fiscal year beginning July 1,"

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

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred

S. F. Nos. 1050, 160, H. F. Nos. 411, 1187, 585, 491 and 105, makes the following report:

That S. F. Nos. 1050, 160, H. F. Nos. 411, 1187, 585, 491 be placed on the General Orders Calendar in the order indicated.

That H. F. No. 105 is being retained in the subcommittee.

That there were no other bills before the subcommittee on which floor action was requested. Report adopted.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 675: A bill for an act relating to economic development; providing grants to community development corporations; setting out criteria for making such grants; appropriating funds; amending Minnesota Statutes 1976, Chapter 362, by adding a section.

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

Page 2, line 16, before "*cities*" insert "*home rule charter or statutory*"

Pages 3 and 4, strike all of section 2

Renumber the remaining section

Amend the title as follows:

Line 4, strike "appropriating"

Line 5, strike "funds;"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 703: A bill for an act relating to labor; granting public employees paid leaves of absence to engage in international athletic competition.

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

Page 2, line 7, after the period, insert "Claims for reimbursement shall be submitted to the commissioner of finance on forms provided by him for this purpose. To the extent practical, payment of reimbursement shall be made in connection with other payments made by the state to the political subdivision."

Page 2, after line 7, insert:

"Sec. 2. [APPROPRIATION.] The sum of \$35,000 is appropriated from the general fund to the commissioner of finance for payment of reimbursements to political subdivisions as provided by section 1."

Renumber the remaining section

Amend the title in line 4, before the period by inserting "; appropriating money"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 100: A bill for an act relating to parks; appropriating money for the development of recreation facilities for the handicapped at Islands of Peace park.

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

Page 1, line 10, strike "\$250,000" and insert "\$150,000"

Page 1, line 15, after "until" insert "(1)"

Page 1, line 17, after "government" and before the period, insert "; and (2) the sum of \$100,000 has been raised from other public or private sources for the purposes of this act"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 765: A bill for an act relating to motor vehicle and highway noise control; requiring the commissioner of transportation to implement noise abatement measures to meet federal noise standards; prohibiting construction of acoustical barriers except where required on federal aid highways or where all other

measures will not be effective; requiring expenditure on noise abatement other than acoustical barriers; requiring the commissioner of public safety to cooperate in noise abatement enforcement; requiring a study and report concerning motor vehicle source noise enforcement devices and methods; increasing the complement of the state patrol; appropriating money; amending Minnesota Statutes 1976, Chapter 161, by adding a section; repealing Minnesota Statutes 1976, Section 161.125.

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

Page 3, strike lines 17 to 32

Page 4, strike lines 1 to 6

Page 4, line 9, after "agency" insert "and the department of transportation"

Page 4, line 16, after "safety" insert "and the commissioner of transportation"

Page 4, line 16, after "shall" insert "jointly"

Page 5, line 7, strike "Subdivision 1. [NOISE"

Page 5, line 8, strike "MONITORING DEVICE STUDY.]"

Page 5, line 9, strike "general" and insert "trunk highway"

Page 5, line 10, strike ". This"

Page 5, line 11, strike everything before "be" and insert ", to"

Page 5, line 11, strike "for"

Page 5, line 12, strike "expenditure"

Page 5, strike lines 13 to 19

Page 5, line 22, strike "Except for section 4,"

Page 5, line 23, strike everything before "this"

Amend the title as follows:

Page 1, strike line 9

Page 1, line 10, strike "than acoustical barriers;"

Page 1, line 14, strike "increasing the"

Page 1, line 15, strike "complement of the state patrol;"

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

SECOND READING OF SENATE BILLS

S. F. Nos. 679, 743, 514, 1444, 137, 675, 703, 100 and 765 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. No. 1337 was read the second time.

H. F. Nos. 789 and 6 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS—CONTINUED

Pursuant to the committee report adopted by the Senate May 13, 1977, Mr. Coleman moved to amend Senate rule 62. 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 they hereby are appointed to the positions hereinafter stated and at the salaries heretofore fixed.

Gary Fritz transferred from Page classification to Clerk I classification, effective May 5, 1977

Rev. Craig Hanson, Chaplain, effective May 10, 1977

Rev. Herb Hayek, Chaplain, effective May 12, 1977

Peter Velander, Chaplain, effective May 13, 1977

Mr. Coleman moved to adopt the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. Sikorski moved that the name of Mr. Schaaf be added as co-author to S. F. No. 786. The motion prevailed.

Mr. Coleman moved that the Senate do now adjourn until 1:00 o'clock p.m., Monday, May 16, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FIFTY-FIFTH DAY

St. Paul, Minnesota, Monday, May 16, 1977

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. Herbert C. Hyak.

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

Anderson	Gearty	Lessard	Perpich	Staples
Ashbach	Gunderson	Lewis	Peterson	Stokowski
Bang	Hanson	Luther	Pillsbury	Strand
Benedict	Hughes	McCutcheon	Purfeerst	Stumpf
Bernhagen	Humphrey	Menning	Renneke	Tennessee
Borden	Jensen	Merriam	Schaaf	Ueland, A.
Brataas	Johnson	Milton	Schmitz	Uland, J.
Chmielewski	Keefe, J.	Moe	Schrom	Vega
Coleman	Keefe, S.	Nelson	Setzpfandt	Wegener
Davies	Kirchner	Nichols	Sieloff	Willet
Dieterich	Kleinbaum	Ogdahl	Sikorski	
Dunn	Knoll	Olhoft	Sillers	
Engler	Knutson	Olson	Solon	
Frederick	Laufenburger	Penny	Spear	

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. Chenoweth was excused from the Session of today. Mr. Johnson was excused from the Session of today from 2:30 o'clock p.m. until 4:00 o'clock p.m. Mr. Knoll was excused from the Session of today from 4:30 o'clock p.m. until 7:00 o'clock p.m. Mr. Frederick was excused from the Session of today at 5:00 o'clock p.m. Mr. Keefe, J. was excused from the early part of this evening's Session.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 11, 1977

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

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts

of the 1977 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 1977	Date Filed 1977
	62	73	May 11	May 11
	107	74	May 11	May 11
	146	75	May 11	May 11
	163	76	May 11	May 11
	218	77	May 11	May 11
	465	78	May 11	May 11
	686	79	May 11	May 11
	946	80	May 10	May 11
	979	81	May 11	May 11
617		82	May 11	May 11
713		83	May 11	May 11
836		84	May 11	May 11
1415		85	May 11	May 11

Sincerely,
Joan Anderson Growe,
Secretary of State

May 12, 1977

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

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1977 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 1977	Date Filed 1977
	425	86	May 12	May 12
1034		87	May 12	May 12
1208		88	May 12	May 12

Sincerely,
Joan Anderson Growe,
Secretary of State

May 16, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved,

signed and deposited in the Office of the Secretary of State, S. F. No. 895.

Sincerely,
Rudy Perpich, Governor

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Olhoff, Solon, Nelson and Knutson introduced—

S. F. No. 1527: A bill for an act relating to public welfare; medical assistance for the needy; excluding assistance for experimental surgery; amending Minnesota Statutes 1976, Section 256B.02, Subdivision 8.

Referred to the Committee on Health, Welfare and Corrections.

Mr. Ogdahl introduced—

S. F. No. 1528: 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 1976, Sections 356.215, Subdivision 4; 356.22, Subdivision 2; and 422A.08, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Solon, Kleinbaum and Coleman introduced—

S. F. No. 1529: A bill for an act relating to intoxicating liquors; removing prohibition against sale of liquor on election days; amending Minnesota Statutes 1976, Sections 340.034, Subdivision 1; and 340.14, Subdivision 1.

Referred to the Committee on Commerce.

SUSPENSION OF RULES

Mr. Coleman moved that the rules of the Senate be so far suspended as to proceed to the Order of Business of Motions and Resolutions. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to 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 Mr. Gearty reported that the committee had considered the following:

S. F. Nos. 1236, 809, 160 and H. F. Nos. 319, 1129, 954, 980,

562, 972, 257, 817, 1015, 314, 297, 971, 902, 1259, 1223, 460, 106, 315, 536, 1155, 993, 1113, 411, 1187, 491, 1054 which the committee recommends to pass.

H. F. No. 1201, which the committee recommends to pass with the following amendment offered by Mr. Sikorski:

Amend H. F. No. 1201, as amended pursuant to Rule 49, adopted by the Senate May 12, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1435.)

Page 3, line 17, after "contracts" insert "described in section 11, clauses (a) and (b)"

S. F. No. 597, which the committee recommends to pass.

The question was taken on the recommendation to pass S. F. No. 597.

The roll was called, and there were yeas 48 and nays 15, as follows:

Those who voted in the affirmative were:

Benedict	Gunderson	Laufenburger	Pillsbury	Stokowski
Bernhagen	Hanson	Luther	Purfeerst	Strand
Brataas	Hughes	McCutcheon	Renneke	Stumpf
Chmielewski	Humphrey	Merriam	Schaaf	Tennessee
Davies	Jensen	Milton	Setzepfandt	Ueland, A.
Dieterich	Keefe, J.	Nelson	Sieloff	Ulland, J.
Dunn	Keefe, S.	Nichols	Sikorski	Vega
Engler	Kirchner	Olson	Solon	Willet
Frederick	Knoll	Perpich	Spear	
Gearty	Knutson	Peterson	Staples	

Those who voted in the negative were:

Ashbach	Kleinbaum	Menning	Olhoft	Schrom
Bang	Lessard	Moe	Penny	Sillers
Johnson	Lewis	Ogdahl	Schmitz	Wegener

The motion prevailed. So S. F. No. 597 was recommended to pass.

S. F. No. 90, which the committee recommends to pass with the following amendment offered by Mr. Stumpf:

Page 9, line 12, strike "*inventorying*" and insert "*inventory*"

Page 12, line 15, after "state" strike the comma

Page 12, line 17, reinstate "and"

Page 18, line 26, before "*soil*" insert "*state*"

Page 18, line 28, after "*as*" insert "*the*"

H. F. No. 1180, which the committee recommends to pass subject to the following motion:

Mr. Laufenburger moved to strike the amendments recommend-

ed by the Committee on Commerce, adopted by the Senate May 11, 1977, to page 15; and strike the title amendment. The motion prevailed. So the amendment was stricken.

H. F. No. 676 which the committee recommends to pass, subject to the following motions:

Mr. Tennessen moved to amend H. F. No. 676 as follows:

Page 2, line 6, strike "No recovery shall be had in any action or actions"

Page 2, strike lines 7 to 10

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 13 and nays 39, as follows:

Those who voted in the affirmative were:

Benedict	Gearty	Knoll	Merriam	Tennessen
Davies	Hanson	Luther	Olhoff	
Dieterich	Humphrey	Menning	Stumpf	

Those who voted in the negative were:

Anderson	Hughes	Milton	Pillsbury	Spear
Ashbach	Jensen	Moe	Schaaf	Staples
Bang	Keefe, J.	Nelson	Schmitz	Stokowski
Bernhagen	Keefe, S.	Nichols	Schrom	Strand
Brataas	Kirchner	Olson	Setzepfandt	Ueland, A.
Coleman	Laufenburger	Penny	Sieloff	Vega
Engler	Lessard	Perpich	Sikorski	Wegener
Gunderson	McCutcheon	Peterson	Sillers	

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

Mr. Anderson moved to amend H. F. No. 676 as follows:

Page 1, line 15, strike the last comma and insert "or"

Page 1, line 16, strike "or giving"

Page 2, line 10, strike the first comma and insert "or"

Page 2, line 10, strike ", or gift"

The motion prevailed. So the amendment was adopted.

S. F. No. 266, which the committee recommends to pass with the following amendment offered by Mr. Keefe, S.:

Page 3, after line 27, insert

"Sec. 8. Minnesota Statutes 1976, Section 204A.34, Subdivision 2, as amended by Laws 1977, Chapter 88, Section 2, is amended to read:

Subd. 2. [DISABLED VOTER, ASSISTANCE.] Any person who is unable to enter a polling place which uses paper ballots may register and vote without leaving his vehicle. Two judges, who are not members of the same political party, shall assist a voter who is unable to enter the polling place to register and to complete

a voter's certificate, and shall provide him with the necessary ballots. The voter may request additional assistance in marking his ballots as provided in subdivision 1. *In other polling places, two judges, who are not members of the same political party, shall assist a disabled voter who is at the entry of the polling place. A person who is intoxicated may not vote.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after "auditors;" insert "providing for assistance to disabled voters;"

Page 1, line 9, after "204A.20;" insert "204A.34, Subdivision 2, as amended"

H. F. No. 1094, which the committee recommends to pass with the following amendment offered by Mr. Davies:

In the amendment by the Committee on Commerce, adopted by the Senate May 9, 1977, to page 2:

Line 17, in the reinstated language, strike "original"

S. F. No. 1050, which the committee recommends to pass with the following amendments offered by Messrs. Sieloff and Olhoft:

Mr. Sieloff moved to amend S. F. No. 1050 as follows:

Page 13, line 21, after "*the*" and before "*property*" insert "*commissioner believes the*"

Page 13, line 21, after "*located*" insert "*at the time such notice is filed,*"

Mr. Olhoft moved to amend S. F. No. 1050 as follows:

Page 11, line 10, after "*section*" delete "8" and insert "7"

H. F. No. 585, which the committee recommends to pass with the following amendments offered by Messrs. Sieloff and Dieterich:

Mr. Sieloff moved to amend the amendment placed on H. F. No. 585 by the Committee on Taxes and Tax Laws, adopted by the Senate May 12, 1977, as follows:

In the amendment to page 10, after line 15, next to the last line of the paragraph, after "*the*" and before "*property*" insert "*commissioner believes the*" and in the same line, after "*located*" insert "*at the time such lien is filed,*"

Mr. Dieterich moved to amend H. F. No. 585 as follows:

Pages 10 to 13, strike section 8

Renumber the sections in sequence

Page 14, line 20, strike "9" and insert "8"

Page 14, line 22, strike "Sections" and insert "Section"

Page 14, line 22, strike "and 8"

Page 14, line 23, strike "10" and insert "9"

Amend the title as follows:

Page 1, line 12, strike "290.92,"

Page 1, line 13, strike "by adding a subdivision;"

On motion of Mr. Coleman, 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 to revert to the Order of Business of Introduction and First Reading of Senate Bills, Reports of Committees, Second Reading of Senate Bills and Second Reading of House Bills. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time.

Mr. Moe, for the Committee on Finance, introduced—

S. F. No. 1530: A bill for an act relating to public improvements; providing for prison and education facilities; regulating the location of certain education facilities; barrier free buildings; authorizing state building bonds; appropriating money.

Under the rules of the Senate, laid over one day.

REPORTS OF COMMITTEES

Mr. Coleman moved that the Committee Reports at the Desk with the exception of H. F. No. 1004 be now adopted. The motion prevailed.

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 464: A bill for an act relating to public welfare; changing eligibility standards for medical assistance; appropriating money; amending Minnesota Statutes 1976, Section 256B.06, Subdivision 1.

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

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1976, Section 256.73, Subdivision 2, is amended to read:

Subd. 2. [ALLOWANCE BARRED BY OWNERSHIP OF PROPERTY.] The ownership by father, mother, child, children, or any combination thereof, of property as follows shall be a bar to any allowance under section 256.72 to 256.87:

(1) Real estate used as a home the market value of which less encumbrances exceeds \$7,500; provided that real estate used as a home in excess of this amount will not be a bar to eligibility where the county welfare board determines that such real estate is not available for support of the family.

(2) Personal property of a reasonable market value in excess of \$300 for a one child recipient or \$500 for more than one child recipient, exclusive of personal property used as the home, insurance carried by a parent which does not exceed a cash surrender value of \$500, appropriate clothing, *the value of one automobile up to a maximum of \$1,500* and necessary household furniture and equipment, and of such tools, implements, and domestic animals as in the opinion of the county agency it is expedient to retain for the purpose of reducing the expense or increasing the income of the family, and the earnings of a dependent child which are placed in a savings account to be used for a future purpose approved by the county agency in accordance with the rules and regulations of the commissioner of public welfare; or

(3) Real estate not used as a home, provided that if such real estate does not produce net income sufficient to meet the family budget and there is no available market for the sale of such property, or if the price which can be obtained on the prevailing market is not fair and reasonable considering the applicant's interest therein and the possibilities of sale of said property for a greater amount within a reasonable length of time thereafter then in that event, in the discretion of the county agency, ownership of the same shall not be a bar to an allowance under sections 256.72 to 256.87. Net income shall be the residue after payment from gross income of taxes, insurance, maintenance, and interest on encumbrances, if any, on the property, provided that in computing net income the gross income shall not be charged with any expenses toward betterment of the property as improvements or by payment on the principal of a mortgage; provided, that the net income thus derived shall be applied on the family budget."

Page 2, line 16, after "dependent" insert "*, except that the value of one automobile shall be disregarded up to \$1,500*"

Page 3, line 6, after "*the*" insert "*state*"

Page 3, line 6, after "*agency*" insert "*, if permitted to do so by the department of health, education and welfare,*"

Page 3, line 10, strike "*agency rules*" and insert "*law*"

Page 3, after line 23, insert:

"Sec. 3. Minnesota Statutes 1976, Section 256D.37, Subdivision 2, is amended to read:

Subd. 2. The eligibility criteria for supplemental aid under this section shall be those in effect December 31, 1973 for the categorical aid programs of old age assistance, aid to the blind, and aid to the disabled. The local agency shall apply the relevant criteria to each application. ~~Effective July 1, 1974, the real property equity limitation for applicants other than the blind shall be \$12,000. Effective January 1, 1975,~~ The real property equity limitation for all applicants for supplemental aid under this section shall be \$15,000. *The value of one automobile up to \$1,500 shall be excluded from any limitations on personal property.* The local agency in its discretion may permit eligibility of an applicant having assets in excess of the amount prescribed in this section if liquidation of the assets would cause undue loss or hardship."

Page 3, line 24, after the dollar sign insert "*7,680,000 for the biennium ending June 30, 1979*"

Renumber sections in sequence

Further, amend the title as follows:

Page 1, line 3, after "for" insert "aid to families with dependent children,"

Page 1, line 3, after "assistance" insert ", and supplemental aid"

Page 1, line 4, strike "Section" and insert "Sections 256.73, Subdivision 2;"

Page 1, line 5, after "1" insert "; and 256D.37, Subdivision 2"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 185: A bill for an act relating to education; excluding facilities operated for the primary purpose of educating children from day care regulation; amending Minnesota Statutes 1976, Section 245.791.

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1071: A bill for an act relating to appropriations; providing funds for the programs of the Minnesota International Center.

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

Page 1, line 8, strike "to the"

Page 1, line 9, strike "Minnesota historical society"

Page 1, line 9, after "disbursed" insert "by the commissioner of finance"

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

Mr. Moe from the Committee on Finance, to which was re-referred

S. F. No. 1334: A bill for an act relating to public welfare; providing for payment of the costs of certain care and treatment for mentally retarded, epileptic and emotionally handicapped children; requiring the parents and child to provide reimbursement for certain care and treatment; amending Minnesota Statutes 1976, Sections 246.51; and 252.27, Subdivisions 1 and 2.

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

Page 3, line 1, after "child" insert "*or child with cerebral palsy*"

Page 3, line 28, strike "*Such*" and insert "*The*"

Page 3, line 29, strike "*. Appeal from*"

Page 3, strike line 30, and insert "*unless appealed pursuant to the provisions of*"

Pages 3 and 4, strike all of Section 4

Renumber the remaining section

Amend the title as follows:

Line 4, before "and" insert ", cerebral palsied"

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

Mr. Moe from the Committee on Finance, to which was re-referred

S. F. No. 707: A bill for an act relating to the governor's manpower office; providing for the employment and training of displaced homemakers; authorizing certain job training, counseling and placement activities; appropriating money.

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

Page 2, strike line 2, and insert "director shall allocate money to pilot programs"

Page 2, line 3, strike "one"

Page 2, line 3, strike "(2)"

Page 4, line 9, after "fund" insert "for the biennium ending June 30, 1979,"

Page 4, line 11, after the period insert "\$160,000 of this appropriation is for pilot programs in the metropolitan area and \$160,000 is for pilot programs in rural Minnesota."

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 455: A bill for an act relating to education; establishing pilot American Indian language and culture education programs; granting certain powers and duties to the state board of education; establishing a state American Indian language and culture education advisory task force; appropriating money; amending Minnesota Statutes 1976, Section 120.095, by adding a subdivision.

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

Page 16, line 12, strike "*for the*"

Page 16, line 13, strike "*purposes of this act*"

Page 16, line 13, strike "\$800,000" and insert "\$600,000"

Page 16, line 14, strike "*Of this amount, \$45,000 shall*" and insert "*, to*"

Page 16, strike lines 15 through 24

Page 16, line 25, strike "*\$600,000 shall be*"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1058: A bill for an act relating to human services; providing grants to plan and organize human services programs; requiring notification of affected state agencies; requiring certain membership on advisory councils; promulgating rules; providing for auditing of funds; giving additional powers to the state planning officer; appropriating money; amending Minnesota Statutes 1976, Sections 402.01, by adding a subdivision; 402.02, Subdivisions 1 and 2; 402.03; 402.04, Subdivision 1; 402.05; and 402.06; repealing Minnesota Statutes 1976, Sections 402.08 and 402.09.

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

Page 3, line 6, after "*boards*" insert a semicolon

Page 3, after line 6, insert:

"(h) If a single county has been authorized to establish a county welfare board composed solely of county commissioners, the board of commissioners is authorized to assume the responsibilities and duties of human services boards pursuant to this chapter, notwithstanding any other provision herein to the contrary relating to membership of the human services board."

Page 5, line 15, strike "*merit or civil service system*" and insert "*standard for merit systems of personal administration*"

Page 7, after line 13, insert:

"Sec. 8. [REPORTS TO LEGISLATURE.] *The state planning agency shall report to the legislature not later than January 1 of each legislative session on the experience of human services boards established pursuant to this act. The report shall include an assessment of the effect of establishment of human services board on the cost and quality of services provided.*"

Renumber the remaining sections

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1486: A bill for an act relating to public welfare; providing liability insurance to all foster boarding homes licensed by the department of public welfare; appropriating money; amending Minnesota Statutes 1976, 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 "liability"

Page 1, line 14, strike "for all" and insert "to foster parents to cover their liability for acts of their foster children residing in"

Page 1, line 17, after "(5)" insert ", to the extent that the liability is not covered by the provisions of the standard homeowner's or automobile insurance policy. The insurance shall not cover property owned by the foster parents, damage caused intentionally by a child over 12 years of age, or property damage arising out of business pursuits or the operation of any vehicle, machinery, or equipment"

Page 1, line 21, before the period, insert ", to be available until June 30, 1979"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 227: A bill for an act relating to education; loans to medical students; changing requirements for loan forgiveness and limitations on loan amounts; amending Minnesota Statutes 1976. Sections 147.30 and 147.31.

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1199: A bill for an act relating to public welfare; providing for pilot dental health programs; providing an appropria-

tion; amending Laws 1973, Chapter 305, Section 9; repealing Laws 1973, Chapter 305, Section 10.

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

Page 1, strike section 1 and insert:

"Section 1. [RE-APPROPRIATION.] Of the sum of \$400,000 appropriated from the general fund by Laws 1976, Chapter 305, Section 9, for pilot dental health programs, the unexpended balance is hereby reappropriated to the commissioner of public welfare for the biennium ending June 30, 1979, for continuation of the pilot dental health programs. \$60,000 of the \$400,000 appropriation may be used for administrative purposes by the commissioner of public welfare for the purposes of this act."

Page 1, line 20, strike "1973" and insert "1976"

Delete all underlining in the bill

Amend the title as follows:

Page 1, line 3, strike "an" and insert "money"

Page 1, strike line 4

Page 1, line 5, strike "Section 9"

Page 1, line 5, strike "1973" and insert "1976"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 691: A bill for an act relating to state contracts; regulating bid and performance bonds for small businesses and minority small businesses; appropriating money; amending Minnesota Statutes 1976, Chapter 574, by adding a section.

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

Page 2, line 1, after the period, insert "*The amount of the indemnity on each contract shall not exceed \$100,000.*"

Page 2, line 20, strike "not"

Page 2, line 21, after the period insert "*until January 1, 1978, each commissioner may adopt emergency rules pursuant to section 15.0412, subdivision 5, to implement the provisions of this section.*"

Page 2, strike lines 26 through 31 and insert:

"Sec. 2. [APPROPRIATION.] *Subdivision 1. Any moneys required by the department of administration for payment of claims pursuant to this act shall be made available from the general contingent account.*

Subd. 2. Any moneys required by the department of transportation for payment of claims pursuant to this act shall be paid from

the unobligated balance of appropriations made to the department for highway development."

Page 2, strike line 32 and insert:

"Subd. 3. This section is effective for indemnification agreements entered into in the biennium beginning July 1, 1977. The money provided by this act shall not be used for agreements executed after June 30, 1979. The total amount indemnified shall not exceed \$4,500,000."

Page 3, strike line 1

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

Mr. Moe from the Committee on Finance, to which was referred

H. F. No. 1030: A bill for an act relating to health care plans; requiring minimum anticipated loss ratios for certain insurance plans; eliminating certain open enrollment requirements for non-profit health service plans; revising the Minnesota comprehensive health insurance act of 1976; revising the Minnesota catastrophic health expense protection act of 1976; making necessary improvements and corrections; further prescribing the powers and duties of the commissioner of insurance; further prescribing the powers and duties of the commissioner of public welfare; amending Minnesota Statutes 1976, Chapter 62E, by adding a section; and Sections 62A.02, Subdivision 3; 62A.17, Subdivision 6; 62D.10, Subdivision 1; 62E.02, Subdivisions 2, 8, 11 and 21; 62E.03, Subdivision 2; 62E.04, Subdivision 4, and by adding a subdivision; 62E.06; 62E.08; 62E.09; 62E.10, Subdivisions 1, 3, and 7; 62E.11, Subdivision 5; 62E.13, Subdivisions 2 and 4; 62E.14, Subdivision 1; 62E.53; and 62E.54, Subdivision 1; repealing Minnesota Statutes 1976, Section 62E.16.

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

Page 2, line 14, strike "*The*" and insert "*All applicants for a policy shall be informed in writing at the time of application of the anticipated loss ratio of the policy*"

Page 2, strike lines 15 through 20

Page 2, line 21, strike "*date of this section*"

Page 3, after line 16, insert a new section:

"Sec. 2. Minnesota Statutes 1976, Section 62A.149, is amended to read:

62A.149 [BENEFITS FOR ALCOHOLICS, DRUG DEPENDENTS AND THE MENTALLY ILL.] Subdivision 1. No policy or plan of insurance regulated under this chapter, or subscriber contract offered by a nonprofit health service plan corporation regulated under chapter 62C shall be delivered, issued, executed or renewed in this state, or approved for issuance or renewal in

this state by the commissioner of insurance unless the policy, plan or contract specifically includes and provides health service benefits to any subscriber or other person covered thereunder, on the same basis as other benefits ; :

(a) For the treatment of alcoholism, chemical dependency or drug addiction in

- (1) a licensed hospital,
- (2) a residential treatment program as licensed by the state of Minnesota pursuant to diagnosis or recommendation by a doctor of medicine, or
- (3) a non-residential treatment program approved or licensed by the state of Minnesota ; and

(b) For the treatment of mental illness pursuant to diagnosis or recommendation by a doctor of medicine in a residential treatment facility approved or licensed by the state of Minnesota .

Provided, however, that The restrictions and requirements of this subdivision shall not apply to any plan or policy which is individually underwritten or provided for a specific individual and the members of his family as a non-group policy.

Subd. 2. Coverage under subdivision 1, clauses (a) (1) and (a) (2) shall be for at least 20 percent of the total patient days allowed by the policy and in no event shall coverage be for less than 28 days in each 12 month benefit year. Coverage under subdivision 1, clause (a) (3), shall be for at least 130 hours of treatment in a 12 month benefit year. Coverage under subdivision 1, clause (b) shall be for at least 20 percent of the total patient days allowed by the policy but in no event for less than 60 days in each 12 month benefit year."

Page 10, line 28, strike "*Effective July 1, 1979*"

Pages 11 and 12, strike all of section 12

Page 18, after line 21, insert a new section:

"Sec. 20. Minnesota Statutes 1976, Section 62E.52, Subdivision 3, is amended to read:

Subd. 3. "Qualified expense" means any charge incurred subsequent to July 1, 1977 for a health service which is (1) included in the list of covered services described in section 62E.06, subdivision 1, or (2) for the treatment of hemophilia, including blood and blood derivatives, and for which no third party is liable."

Page 21, strike lines 23 and 24

Page 21, line 26, strike "*except for section 1 which*"

Page 21, line 27, strike "*is effective on January 1, 1978*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "requiring coverage for mental illness;"

Page 1, line 13, after the semicolon insert "providing a limitation on medical assistance;"

Page 1, line 15, after the semicolon insert "62A.149;"

Page 1, line 19, strike "62E.08;"

Page 1, line 22, before "62E.53" insert "62E.52, Subdivision 3;"

Page 1, line 22, strike "; repealing" and insert a period

Page 1, strike line 23

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

Mr. Moe from the Committee on Finance, to which was referred

H. F. No. 967: A bill for an act relating to education; quality education council; expanding duties and functions; amending Minnesota Statutes 1976, Sections 3.925 and 3.927.

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 1976, Section 3.925, is amended to read:

3.925 [PURPOSE.] The legislature of the state of Minnesota expresses concern over the future of elementary and secondary education in this state, its ability to meet the educational needs of the public school students, the professional growth and satisfaction of school staffs, the effectiveness and efficiency of present schools and their learning processes, continuing pupil unit cost escalation and the resulting financial crisis which this brings about. New approaches to the learning process, better utilization of professional staff and community resources, different requirements as to course offerings, course content, grading, graduation and school attendance must be researched and developed. It is believed that revised programs, innovations, new attitudes about learning and the public schools' responsibilities can be effectively achieved if such research and development are performed by the council on quality education as well as at the local school level by the school's staff and with involvement by the students and their community. Although funds spent now for such purposes can produce substantial educational and cost benefits in the future, such capital type funds are seldom available within any single school district's budget.

The purpose of the council on quality education is, therefore, to encourage, promote and aid such and perform research on and development in develop quality programs of early childhood and family education and elementary and secondary schools education in Minnesota, to review literature on quality programs of education

in Minnesota and other states, to evaluate the results of such *significant existing programs* and to disseminate information about *same these programs* throughout the state.

To these ends, the council through the state board of education shall establish a venture fund from which grants or loans may be made in accordance with section 3.026. Such grants or loans shall be made in support of research and development programs relating to the problems and objectives heretofore described which shall include but not be limited to:

- (1) Effective utilization of community personnel and resources.
- (2) Developing model personnel policies and procedures, and new staffing concepts and such as differentiated staffing.
- (3) Assessment and evaluation of education programs.
- (4) Developing a management and unit of instructional objectives design which will provide accountability by relating time and dollars to the amount of learning produced.
- (5) Determining responsibilities to be assumed by the schools exclusively or concurrently with other agencies or individuals.
- (6) Effective dissemination of educational information.
- (7) Developing new knowledge about learning and teaching.
- (8) Developing model educational programs as alternatives to existing educational practices and curricula.
- (9) Model programs and innovations to increase equality of educational opportunities.
- (10) Research and testing of new concepts of educational efficiency, effectiveness and cost benefits.
- (11) *Research relating to the concept of year round schools.*
- (12) *Research relating to concepts and developments in the field of early childhood and family education.*

A portion of the venture funds shall be used for the purpose of research or the promulgation of programs dealing with areas of education that have been the subject of the council's research.

The council shall not be limited to supporting innovations, programs or procedures supplementary to existing school structures and programs but may assist or research entirely new schools or concepts such as open schools, informal schools and the like. *The council may provide encouragement and assistance to school districts or combinations thereof by making them aware of and giving them information concerning possible and actual alternative programs or schools. It may also conduct training sessions and workshops for teachers, administrators, and the public, and provide consultative help in starting programs, reallocating resources, and solving problems of program implementation. However, the council shall not in any biennium expend more than 15 percent of its biennial appropriation for dissemination of information concerning*

these alternative programs or schools, the conduct of these training sessions and workshops, or the provision of this consultative help. It is the legislature's intent that any supported program shall hold promise of both educational and cost benefits and that the costs and improvements in learning effectiveness introduced thereby shall be measured and related. The council shall make a report by November 15 of each even numbered year to the legislature concerning *all research and all proposals received and the dispositions made thereof by the council and the state board of education.*

Sec. 2. Minnesota Statutes 1976, Section 3.926, Subdivision 2, is amended to read:

Subd. 2. [PROCEDURE.] Every program proposal shall be submitted to the council created by section 3.924, not less than three months before the planned commencement of the program. The council shall recommend approval or disapproval, or shall modify and then recommend such modification with respect to every proposal submitted to it. The council shall also recommend *whether a grant need be made in support of the proposed program, and the amount and type of grant to be made in support of the proposed program if need is determined* in the light of the then currently available moneys in the venture fund, which information shall be provided to the council by the state board of education. The council shall also recommend what rules and regulations, if any, shall be suspended or modified in order to implement the proposal. Only such proposals as are recommended for approval shall be transmitted by the council to the state board, and all such proposals shall be approved and funded from the venture fund by the state board as recommended by the council unless the state board, within 30 days of receipt of a proposal from the council, shall make other disposition of the proposal by formal board action. One half of each grant recommended by the council and funded by the state board may be deemed an interest free loan to be repaid over a five year period.

Sec. 3. Minnesota Statutes 1976, Section 3.927, is amended to read:

3.927 [STATE BOARD AND COMMISSIONER.] The state board of education shall develop and promulgate such additional recommendatory guidelines as may be appropriate for the furtherance of sections 3.924 to 3.927 and the development and implementation of the programs contemplated herein, for its benefit and the benefit of the council and applicants. The commissioner of education shall make available to the council at its request such staff as the council deems necessary to perform its functions. The council may also employ or contract for the services of outside consultants, and as much of the annual appropriation to the state department of education, made by Extra Session Laws 1971, Chapter 31, Article 15, Section 5, for the purposes of sections 3.924 to 3.927 as is necessary, shall be made available to the council for this purpose."

Amend the title as follows:

Line 4, after "3.925" insert "; 3.926, Subdivision 2;"

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

Mr. Moe from the Committee on Finance, to which was referred

H. F. No. 1004: A bill for an act relating to worker's compensation; limiting expenses and profit includable in workers' compensation insurance premiums; permitting the commissioner of insurance to employ an actuary; including legislators in coverage; requiring owners to elect non-coverage; excluding certain family corporations and certain nonprofit associations from coverage; increasing benefit levels; vesting certain benefits; excluding certain employment; regulating attorney's fees; providing for depending surviving spouses; providing for supplemental benefits; altering notice requirements; providing for the distribution of physician's reports; providing for adjustments to benefit payments; creating a workers' compensation study commission; appropriating money; amending Minnesota Statutes 1976, Sections 79.07; 79.30; 176.011, Subdivisions 9 and 11a; 176.012; 176.021, Subdivision 3; 176.041, Subdivision 1; 176.051; 176.081, Subdivisions 1, 2, 3, 4, and 6; 176.101; 176.111, Subdivisions 6, 11 and 21; 176.132, Subdivisions 1, 2, and 3; 176.141; 176.155, Subdivision 1; 176.221, by adding a subdivision; 176.511, Subdivision 3; 176.645; and Chapter 79 by adding a section; repealing Minnesota Statutes 1976, Sections 176.111, Subdivision 13; and 176.185, Subdivision 8.

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

Page 1, after line 31, insert:

"Section 1. Minnesota Statutes 1976, Chapter 79, is amended by adding a section to read:

[79.095] [APPOINTMENT OF ACTUARY.] *The commissioner shall employ the services of a casualty actuary whose duties shall include but not be limited to investigation of complaints by insured parties relative to rates, rate classifications, or discriminatory practices of an insurer.*"

Page 4, strike lines 10 through 17

Page 6, line 17, after "employee" insert "and employer"

Page 7, line 13, strike "such" and insert "the"

Page 7, line 14, strike "such" and insert "the"

Page 9, line 6, reinsert the stricken language and delete the new language

Page 9, line 30, strike "operation" and insert "operator"

Page 11, line 1, strike "the department of"

Page 11, line 15, strike "of the department"

Page 11, line 19, strike "deputy" and insert "*commissioner*"

Page 11, line 24, strike "of the department"

Page 11, line 32, strike "of the department"

Page 12, line 7, strike "of the department"

Page 12, line 24, strike "*each year*" and insert "*annually*"

Page 12, line 26, strike "*for the period ending December 31,*" and insert "*as calculated on or before July 1*"

Page 17, line 20, after "any" insert "*of the*"

Page 17, line 20, strike "organ, including the heart" and insert "*organs specified below*"

Page 17, line 22, strike "proportion of 500 weeks which is" and insert "*proportionate loss of said organ as*"

Page 17, line 22, reinstate the stricken language

Page 17, line 23, reinstate the stricken language

Page 17, lines 23 through 25, strike the new language

Page 17, after line 28 insert:

"(A) The "internal organs" specified as up to 500 weeks entitlement are:

- (1) Heart;*
- (2) Each lung;*
- (3) Each kidney;*
- (4) Brain;*
- (5) Pancreas with islets of Langerhans;*
- (6) Lymphatic system.*

(B) The "internal organs" specified as up to 300 weeks entitlement are:

- (1) Liver;*
- (2) Gall bladder;*
- (3) Spleen;*
- (4) Stomach;*
- (5) Each testicle;*
- (6) Any one of the endocrine glands;*
- (7) Any one of the exocrine glands."*

Page 23, after line 9, insert a new section to read:

"Sec. 14. Minnesota Statutes 1976, Section 176.111, Subdivision 1, is amended to read:

176.111 [DEPENDENTS, ALLOWANCES.] Subdivision 1.

[PERSONS WHOLLY DEPENDENT, PRESUMPTION.] For the purposes of this chapter the following persons are conclusively presumed to be wholly dependent:

(a) wife a spouse , unless it be shown that she that spouse was voluntarily living apart from his or her husband spouse at the time of his the injury or death:

(b) children under 18 years of age, or a child under the age of 21 years who is regularly attending as a full time student at a high school, college, or university, or regularly attending as a full time student in a course of vocational or technical training."

Page 25, line 1, strike "such" and insert "the"

Page 28, strike lines 7 through 21 and insert:

"Sec. 22. Minnesota Statutes 1976, Section 176.215, is amended by adding a subdivision to read:

Subd. 4. [TRUCKERS; SUBCONTRACTORS.] For purposes of section 176.215 a trucking business which does hauling for hire and which contracts for use of trucking equipment and operators with others shall be deemed a general contractor and liable as such, and others contracted with for trucking equipment and operators shall be deemed subcontractors. Provided, this subdivision shall not be construed to limit the application of section 176.215 only to parties described within this subdivision."

Page 29, line 27, after the period, insert "In no event may an adjustment increase exceed six percent a year. In those instances where the adjustment under the formula of this section would exceed this maximum, the increase shall be deemed to be six percent."

Page 29, line 32, strike "No adjustment increase"

Page 30, strike lines 1 through 13

Page 31, strike lines 17 through 32

Page 32, strike line 1

Page 32, line 9, strike "and,"

Page 32, line 11, after "jurisdiction" insert "; and"

Page 32, after line 11, insert:

"(d) the administration of the law by the department of labor and industry and workers' compensation court of appeals"

Page 32, line 23, strike "as"

Page 33, line 16, after "Sections" insert "79.30;"

Page 33, line 22, strike "shall be" and insert "is"

Page 33, line 22, strike "the day" and insert "June 30, 1978"

Page 33, line 23, strike "following final enactment"

Page 33, line 26, strike "Section 17 is effective on July 1, 1977."

Renumber the sections in sequence

Amend the title as follows:

Line 14, strike "providing for the"

Line 15, strike "distribution of physician's reports;"

Line 19, strike "79.30;"

Line 23, before "6" insert "1,"

Line 24, strike "176.155, Subdivision 1" and insert "176.215, by adding a subdivision"

Line 28, after "Sections" insert "79.30;"

And when so amended the bill do pass. Mr. Ashbach 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 Finance, to which was referred

S. F. No. 1395: A bill for an act relating to education; public television; altering the calculation of matching funds required by public stations; appropriating money; amending Minnesota Statutes 1976, Section 139.18, Subdivisions 1 and 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 1976, Section 139.18, Subdivision 1, is amended to read:

139.18 [GRANTS.] Subdivision 1. The board of the arts shall distribute the funds provided by sections 139.16 to 139.18. Twice annually the board of the arts shall make grants to public stations for the acquisition and production of materials and broadcast transmission costs to educational stations to the extent and in the amount the educational station matches Minnesota based contributions, on a dollar for dollar basis. The board of the arts shall allocate funds appropriated for the purposes of sections 139.16 to 139.18 in such a manner that each eligible public station receives an equal amount, except that no station's grant in any fiscal year shall exceed the amount of Minnesota based contributions received by that station in the previous fiscal year.

Sec. 2. Minnesota Statutes 1976, Section 139.18, Subdivision 2, is amended to read:

Subd. 2. In calculating the amount of contributions that must be matched received by a public station pursuant to subdivision 1, there shall be excluded: contributions, whether monetary or in kind, from the corporation for public broadcasting; from tax generated funds, including payments by public or private elementary and secondary schools; foundation and corporation donations; contributions from any source if made for the purpose of

capital expenditures; and contributions from all sources based outside the state shall be excluded. The board of the arts 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.

Sec. 3. [PURPOSE.] *The purpose of sections 3 to 5 is to facilitate the use of public radio as a community resource for the public by providing financial assistance to public radio stations serving Minnesota citizens, and to provide for cooperation between public radio station officials and the board of the arts.*

Sec. 4. [DEFINITIONS.] *Subdivision 1. As used in sections 3 to 5, the terms defined in this section have the meanings here given them.*

Subd. 2. "Public radio station" means a licensee of the federal communications commission as a noncommercial educational radio station within the state which either qualifies for financial assistance from the corporation for public broadcasting or which, with funds granted pursuant to sections 3 to 5, would qualify for financial assistance from the corporation. Public radio stations shall not be deemed to include a station owned, sponsored or managed by a public institution of higher education in the state.

Sec. 5. [GRANTS.] *Subdivision 1. The board of the arts shall distribute the funds provided for grants to public radio stations. Twice annually the board of the arts shall make grants for the acquisition and production of materials and broadcast transmission costs to public radio stations to the extent and in the amount the educational station matches contributions to the station, on a dollar for dollar basis.*

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 state tax generated revenue and from all corporations, foundations and other associations having their principal office outside the state shall be excluded. The board of the arts shall make payments in such a manner that eligible public stations receive as a base payment an amount equal to eligible contributions to the station for the preceding fiscal year up to a maximum of \$10,000 for each year in the biennium. A station which has received during the preceding fiscal year eligible contributions in excess of \$10,000 shall receive a portion of any remaining money appropriated for grants to public radio stations. The portion received by the station shall equal the station's excess contributions divided by the total excess contributions received by all eligible stations times the total remainder of the appropriation for that period.*

Subd. 3. *Each public radio station receiving a grant shall annually report by December 1 to the board of the arts the purposes for which the funds were used in the past fiscal year and the*

anticipated use of the funds in the next fiscal year. The report shall be certified by an independent auditor or a certified public accountant. If the report is not submitted by December 1, the board of the arts shall 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 shall redistribute those funds to other public radio stations as provided in subdivision 2. Payments due under this section shall be made no later than January 1 and July 1 of each year.

Subd. 4. In designating the board of the arts as the administrative agency to distribute these funds, the legislature recognizes that this is strictly an administrative function unrelated to the artistic and cultural mandate of the board. The board may develop program categories and funding programs in television, film and other public media, which shall not be limited, prohibited or otherwise affected by the board's serving the specific administrative functions under the terms of sections 3 to 5.

Sec. 6. [APPROPRIATIONS.] Subdivision 1. The sums set forth in this section are appropriated from the general fund to the board of arts for the purposes indicated, to be available until June 30, 1979.

Subd. 2. Grants to public television stations and costs incident thereto \$300,000

Subd. 3. Grants to public radio stations and costs incident thereto 250,000⁰⁰

Further, amend the title

Line 2, after "television" insert "and radio"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 599: A bill for an act relating to the operation of state government; establishing an office of volunteer services within the office of the governor; coordinating volunteer programs throughout the state; appropriating money.

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

Page 2, line 18, strike "15" and insert "21"

Page 2, line 18, after "members" insert " , at least one member from each economic development region,"

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

Mr. Moe from the Committee on Finance, to which was re-referred

S. F. No. 263: A bill for an act relating to state forests; increasing state payments in lieu of taxes to counties; establishing procedures for disposal of excess agricultural land in the Richard J. Dorer Memorial Hardwood Forest; amending Minnesota Statutes 1976, Section 89.036.

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 615: A bill for an act relating to education; higher education coordinating board; authorizing the board to contract for spaces for Minnesota residents in out of state schools of osteopathy and optometry; authorizing the board to explore the feasibility of a regional school of optometry; appropriating money.

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

Mr. Moe from the Committee on Finance, to which was referred

H. F. No. 351: A bill for an act relating to historic sites; providing for the administration and control of additional sites by the Minnesota historical society; amending Minnesota Statutes 1976, Section 138.025, by adding subdivisions.

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 202: A bill for an act relating to state government; creating a department of economic security; transferring powers; abolishing the department of employment services and the governor's manpower office; providing that the creation of a department of vocational rehabilitation shall not occur and providing for a legislative study of the transfer of certain other functions; appropriating money; amending Minnesota Statutes 1976, Sections 15.01; 15.0411, Subdivision 2; 15A.081, Subdivision 1, as amended; 43.09, Subdivision 2a; 256.482, Subdivision 1; 256.736, Subdivisions 2, 3, 4, and 5; 256D.11, Subdivisions 1, 2, 6, 7, and 9; and 268.04, Subdivision 8; repealing Minnesota Statutes 1976, Section 129A.02, Subdivision 1.

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

Page 9, line 31, strike "41,000" and insert "36,000"

Page 13, line 17, strike "economic security,"

Page 13, line 22, strike "department" and insert "departments"

Page 13, line 23, after the first comma insert "economic security,"

Page 21, strike lines 22 to 26

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1360: A bill for an act relating to outdoor recreation; appropriating money for acquisition and betterment of parks, trails, wildlife lands, outdoor athletic courts, and for other purposes; authorizing sale of bonds; amending Minnesota Statutes 1976, Sections 85.016; 473.121, Subdivision 14; 473.302; 473.303, by adding a subdivision; 473.315, Subdivision 1; Chapter 4, by adding a section; and Chapter 85, 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. [4.35] [TRAIL PLANNING.] *The state planning agency, in cooperation with the commissioner of natural resources, metropolitan council, and commissioner of transportation, shall review and coordinate plans for trails acquisition and development and trail development grants pursuant to sections 2 of this act. 85.015, 85.016, 5 of this act, 473.147, and 473.301 to 473.341.*

Sec. 2. [4.36] [GRANTS-IN-AID FOR RECREATIONAL BETTERMENT.] *Subdivision 1. [DEFINITIONS.] For purposes of this section, the following terms have the meanings set forth, except as otherwise expressly provided or indicated by the context.*

(a) "Athletic courts" means special surface areas and supporting equipment or structures such as nets, hoops, and walls which can be used for active games that have definite boundaries and are played on a marked surface, limited to basketball, volleyball, handball and tennis.

(b) "Metropolitan council" and "metropolitan area" have the meanings given them in section 473.121.

(c) "Units of government" means any county, city and home rule charter city, town, school district, public post-secondary educational institution, special park district, or any elected park and recreation board having control over parks, parkways, playgrounds, and trees in a city of the first class.

Subd. 2. [GRANTS FOR PARKS AND TRAILS.] *The state planning agency shall administer a program to provide grants to units of government located within standard metropolitan statistical areas, as designated by the United States office of management and budget, but outside of the metropolitan area defined in section 473.121. The grants shall be for acquisition and betterment by units of government of public land and improvements needed*

for parks, trails, conservatories, zoos and other special use facilities having recreational significance for the entire population of the particular standard metropolitan statistical area. Appropriations made for this purpose shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commission regarding the expenditures. The local contribution required shall be identical to that required by the legislative commission on Minnesota resources for grants-in-aid for recreation open space of regional significance. The program shall be administered so as to ensure the maximum possible use of available federal money.

Subd. 3. [GRANTS FOR TRAILS IN LOCAL PARKS.] The state planning agency shall administer a program to provide grants to units of government for the betterment of public land and improvements needed for recreational trails in parks owned and operated by units of government. A grant shall not exceed 40 percent of the costs of the betterment of the trail. To be eligible for a grant, a unit of government must provide at least ten percent of the costs of the betterment of the trail.

Subd. 4. [GRANTS FOR LOCAL OUTDOOR ATHLETIC COURTS.] The state planning agency shall administer a program to provide grants to units of government for the betterment of public land and improvements needed for local athletic courts. A grant shall not exceed 50 percent of the costs of the betterment of the athletic court. To be eligible for a grant, a unit of government must provide at least 50 percent of the costs of the betterment of the athletic court. In making grants the agency shall consider, among other factors, evidence of cooperation between units of government, local need and available financial resources, and court locations that encourage maximum use, patronage, and availability.

Subd. 5. [POWERS; RULES.] The director of the state planning agency shall have all powers necessary and convenient in order to establish programs for recreational betterment grants-in-aid for parks, trails, and athletic courts pursuant to this section including, but not limited to, the authority to adopt rules and regulations for the programs, pursuant to chapter 15, and emergency rules and regulations to commence immediately the programs, pursuant to section 15.0412.

Sec. 3. Minnesota Statutes 1976, Section 85.016, is amended to read:

85.016 [BICYCLE TRAIL PROGRAM.] The commissioner of natural resources shall develop ~~establish~~ a program for an interconnecting statewide system ~~the development of bicycle trails utilizing both the state trails authorized by section 85.015, other state parks and recreation land, and state forests and existing and proposed local bicycle trails.~~ "Bicycle trails", as used in this section, includes bicycle lanes and bicycle ways as those terms are used in sections 160.263 and 160.264. The program shall be coordinated with the local park trail grant program established by the state planning agency pursuant to section 2 of this act,

with the bicycle trail program established by the commissioner of transportation pursuant to section 5 of this act, and with existing and proposed local bicycle trails. In the metropolitan area as defined in section 473.121, the program shall be developed in accordance with plans and priorities established by the metropolitan council. In addition The commissioner shall provide technical assistance to local units of government in planning and developing bicycle trail systems trails in local parks . The state bicycle trail program shall, as a minimum, describe the location, design, construction, maintenance and land acquisition needs of each component trail and shall give due consideration to the model standards for the establishment of recreational vehicle lanes promulgated by the commissioner of transportation pursuant to section 160.262. The program shall include a proposal for a system of state aid to localities. The proposal for a system of state aid to localities shall include a provision that the amount of aid apportioned to a locality will depend, in part, upon the numbers of bicycles registered in the locality. The program shall be developed after consultation with the state trail council and regional and local units of government and bicyclists organizations.

Sec. 4. Minnesota Statutes 1976, Chapter 85, is amended by adding a section to read:

[85.017] [TRAIL REGISTRY.] *The commissioner of natural resources shall compile and maintain a current registry of cross-country skiing, hiking, horseback riding and snowmobiling trails in the state and shall publish and distribute the information in the manner prescribed in section 86A.11. The metropolitan council, the state planning agency, the Minnesota historical society, and local units of government shall cooperate with and assist the commissioner in preparing the registry.*

Sec. 5. [160.265] [BICYCLE TRAIL PROGRAM.] *Subdivision 1. [STATE BICYCLE TRAILS.] The commissioner of transportation shall establish a program for the development of bicycle trails primarily on existing road rights of way. "Bicycle trails", as used in this section, includes bicycle lanes and bicycle ways as those terms are used in sections 160.263 and 160.264. The program shall include a system of bicycle trails to be established, developed, maintained, and operated by the commissioner of transportation and a system of state grants for the development of local bicycle trails primarily on existing road rights of way. The program shall be coordinated with the local park trail grant program established by the state planning agency pursuant to section 2 of this act, with the bicycle trail program established by the commissioner of natural resources pursuant to section 85.016, with the development of the statewide transportation plan pursuant to section 174.03, and with existing and proposed local bicycle trails. In the metropolitan area as defined in section 473.121, the program shall be developed in accordance with plans and priorities established by the metropolitan council. The program shall be developed after consultation with the state trail council, local units of government, and bicyclist organizations. The*

program shall be administered in accordance with the provisions of sections 160.262 to 160.264 and standards promulgated pursuant thereto. The commissioner shall compile and maintain a current registry of bicycle trails in the state and shall publish and distribute the information contained in the registry in a form and manner suitable to assist persons wishing to use the trails. The metropolitan council, the commissioner of natural resources, the state planning agency, the Minnesota historical society, and local units of government shall cooperate with and assist the commissioner of transportation in preparing the registry. The commissioner shall have all powers necessary and convenient to establish the program pursuant to this section including but not limited to the authority to adopt rules pursuant to chapter 15.

Subd. 2. [LOCAL BICYCLE TRAIL GRANTS.] The commissioner shall provide technical assistance to local units of government in planning and developing bicycle trails. The commissioner shall make grants to units of government as defined in section 2, subdivision 1, for the betterment of public land and improvements needed for local bicycle trails. In making grants the commissioner shall consider, among other factors, the number of registered bicycles in the localities. A grant shall not exceed 75 percent of the costs of the betterment of the bicycle trail. To be eligible for a grant, a unit of government must provide at least 25 percent of the costs of the betterment of the trail. The commissioner may adopt emergency rules pursuant to section 15.0412 to commence the grant program immediately.

Sec. 6. Minnesota Statutes 1976, Section 473.121, Subdivision 14, is amended to read:

Subd. 14. "Regional recreation open space" means the land and water areas , or interests therein, and facilities determined by the metropolitan council to be of regional significance importance in providing for a balanced system of public outdoor recreation for the metropolitan area, including but not limited to park reserves, major linear parks and trails , and large recreation parks , and conservatories, zoos, and other special use facilities .

Sec. 7. Minnesota Statutes 1976, Section 473.302, is amended to read:

473.302 [REGIONAL RECREATION OPEN SPACE SYSTEM; PURPOSE.] The legislature finds that the pressure of urbanization and development threatens the most valuable remaining large recreational open space areas in the metropolitan area at the same time as the need for such areas is increased. Immediate action is therefore necessary to provide funds to acquire, preserve, protect and develop regional recreational open space for public use.

Sec. 8. Minnesota Statutes 1976, Section 473.303, is amended by adding a subdivision to read:

Subd. 6. [COMPENSATION.] Members and the chairman shall be compensated as provided for members of metropolitan commissions.

Sec. 9. Minnesota Statutes 1976, Section 473.315, Subdivision 1, is amended to read:

473.315 [GRANTS.] Subdivision 1. The metropolitan council with the advice of the commission may make grants, from any funds available to it for recreation open space purposes, to any municipality, park district or county located wholly or partially within the metropolitan area to cover the cost, or any portion of the cost, of acquiring or developing regional recreation open space in accordance with the policy plan; and all such agencies may enter into contracts for this purpose or rights or interests therein. The cost of acquisition shall include any payments required for relocation pursuant to sections 117.50 to 117.56. No more than 60 percent of the funds available under sections 473.301 to 473.341 shall be used for acquisition of regional recreation open space and no more than 30 percent shall be used for development of regional recreation open space.

Sec. 10. [BOND SALE.] *To provide the money appropriated in the following sections of this act, the commissioner of finance, upon request of the governor, shall sell and issue bonds of the state in the amount of \$62,500,000 in the manner and upon the terms prescribed by sections 16A.63 to 16A.67 and by the Minnesota Constitution, Article XI, Sections 4 to 7.*

Sec. 11. [APPROPRIATIONS.] *The sums set forth in the following sections of this act are appropriated from the Minnesota state building fund to the agencies indicated for the acquisition and betterment of public outdoor recreation lands and capital improvements as more specifically described in the following sections of this act.*

Sec. 12. [PARK, TRAIL, AND ATHLETIC COURT GRANTS.] Subdivision 1. *The sums set forth in this section are appropriated to the state planning agency for the purposes indicated.*

[TOTAL APPROPRIATED\$5,100,000]

Subd. 2. *Park and trail grants, pursuant to section 2, subdivision 2* 2,500,000

\$1,750,000 of this appropriation shall be used for grants for acquisition of parks and trails. \$750,000 of this appropriation shall be used for grants for betterment of parks, trails, conservatories, zoos and other special use facilities.

Subd. 3. *Grants for trails within local parks, pursuant to section 2, subdivision 3* \$1,300,000

\$650,000 of this appropriation shall be used for grants to units of government in the metropolitan area in accordance with priorities established by the metropolitan council and the agency.

\$650,000 of this appropriation shall be used for grants to units of government outside the metropolitan area.

Subd. 4. Local athletic court grants, pursuant to section 2, subdivision 4

1,300,000

\$650,000 of this appropriation shall be used for grants to units of government in the metropolitan area in accordance with priorities established by the metropolitan council and the agency. \$650,000 of this appropriation shall be used for grants to units of government outside the metropolitan area.

Subd. 5. Of the sums appropriated by this section, not more than five percent may be expended by the director for staff and independent professional services needed for the grant programs. The approved complement of the state planning agency is increased by three persons.

Sec. 13. [NATURAL RESOURCES ACQUISITION AND BETTERMENT.] Subdivision 1. The sums set forth in this section are appropriated to the commissioner of natural resources, except as otherwise indicated, for the purposes indicated in this section. All acquisition shall be in accordance with the policies established in sections 86A.01 to 86A.09. Lands acquired for a unit of the outdoor recreation system shall be suited to accomplish the purposes for which the unit is established and suited to be managed in accordance with the management principles applicable to the unit. Lands shall be acquired by the commissioner of administration for the commissioner of natural resources where provided by law.

[TOTAL APPROPRIATED: \$25,300,000]

Subd. 2. For acquisition of state parks and recreation areas, as listed and described in sections 85.012 and 85.013

\$7,783,000

First priority for acquisitions shall be given to land within existing statutory boundaries where the property is needed for immediate development in order to accomplish the purposes for which the unit is authorized, or where the anticipated use of the property is incompatible with the purposes for which the unit is authorized, or where the market value of comparable property in vicinity of the property to be acquired has risen more than ten percent in each of the previous two years.

Subd. 3. For acquisition of state trails, as listed and described in section 85.015, and pursuant to section 84.029, subdivision 2

1,805,000

For betterment of the trails

2,000,000

No further expenditure of money for development of the Luce Line Trail shall be made until the commissioner of natural resources has prepared a comprehensive fiscal management plan covering all costs associated with development of the trail, submitted the plan to the house environment and natural resources committee, the house appropriations committee and the senate

finance committee for the purpose of consultation, and received their recommendations thereon. The recommendations are advisory only.

Subd. 4. For betterment of public land and improvements needed for trails for skiing, hiking, and bicycling within state parks and recreation areas as listed and described in sections 85.012 and 85.013 and state forests, as listed and described in section 89.021 1,105,000

Subd. 5. For acquisition of state forests, as listed and described in section 89.021 2,760,000

Priority shall first be given to acquiring the remaining lands in the Sand Dunes and Memorial Hardwood state forests and then to lands particularly suited for use as state forest campgrounds or day use areas and to lands within state forests that possess outstanding natural or scenic values, forest growth, lake or river shoreland, or rare and distinctive species of flora and fauna native to the area, that should be preserved for the benefit of the public. None of the money appropriated by this subdivision shall be obligated or expended for the acquisition, development or maintenance of state forests without prior express approval of the legislative commission on Minnesota's resources.

Subd. 6. For acquisition of fishing management lands, comprising lands and riparian rights and other interests therein needed for management of waters for primary wildlife use and benefit and for access to fishing waters pursuant to section 97.48, Subdivisions 8, 11 and 15 1,008,000

Subd. 7. For acquisition of state wildlife management areas, acquired pursuant to section 97.48, subdivision 13 or section 97.481 1,500,000

For betterment of these areas 1,500,000

Acquisition shall be limited to wildlife lands and waters that are of high priority because they are critical to the functioning of a unit already in public ownership, or are threatened with development that is incompatible with preservation of the area for wildlife management, or are situated in an area where the market value of comparable property has risen more than ten percent in each of the previous two years, and that can be acquired from a willing seller.

Subd. 8. For acquisition of wild, scenic and recreational rivers, designated pursuant to sections 104.25 to 104.40, and canoe and boating routes, portages, and camp sites, as listed and described in section 85.32 1,706,000

Subd. 9. For acquisition of scientific and natural areas designated pursuant to section 84.033 338,000

Subd. 10. For costs of staff and independent profes-

sional services necessary to the acquisition and betterment of these lands and improvements 3,795,000

The approved complement of the department of natural resources is increased by . . . persons.

Sec. 14. [BICYCLE TRAIL GRANTS.] Subdivision 1. The sums set forth in this section are appropriated to the commissioner of transportation for the purposes indicated.

[TOTAL APPROPRIATED \$4,800,000]

Subd. 2. For betterment of public land and improvements needed for state bicycle trails primarily on existing road rights of way pursuant to section 5, subdivision 1, of this act 2,700,000

Subd. 3. Local bicycle trail grants, pursuant to section 5, subdivision 2, of this act 2,100,000

\$700,000 of this appropriation shall be used for grants to units of government in the metropolitan area, in accordance with the priorities established by the metropolitan council.

\$1,400,000 of this appropriation shall be used for grants to units of government outside the metropolitan area.

Subd. 4. [GRANT PROGRAM ADMINISTRATION.] Of the amounts appropriated by subdivision 2, not more than 15 percent, and of the amounts appropriated by subdivision 3, not more than five percent, may be expended by the commissioner for staff and independent professional services needed for the grant program. The approved complement of the department of transportation is increased by . . . persons.

Sec. 15. [METROPOLITAN PARKS AND TRAILS.] Subdivision 1. The sums set forth in this section are appropriated to the director of the state planning agency for payment to the metropolitan council established under section 473.123. The money shall be paid to the metropolitan council upon receipt by the agency of a resolution of the council requesting payment.

[TOTAL APPROPRIATED \$27,300,000]

Subd. 2. Parks and trails 24,000,000

This appropriation shall be used to pay the cost of the acquisition and betterment by the metropolitan council and local government units of regional recreation open space in accordance with the council's policy plan, as provided in sections 473.301 to 473.341. The money is available for payment of relocation costs and tax equivalents required in sections 473.315 and 473.341. Of the amount appropriated by this subdivision, the metropolitan council may expend no more than \$200,000 for staff and independent professional services necessary for the acquisition and betterment of this open space

and for the performance of duties of the metropolitan council under this section and sections 1, 12, and 14.

Subd. 3. Trails in parks

2,200,000

This appropriation shall be used to pay the cost of betterment by the metropolitan council and local government units of public land and improvements needed for trails situated within regional parks and park reserves in accordance with the council's policy plan, as provided in sections 473.301 to 473.341. None of the money may be used for acquisition of land, for relocation payments under section 473.315, or for tax equivalents under section 473.341.

Subd. 4. Trail corridors

1,100,000

This appropriation shall be used to pay the cost of acquisition and betterment by the metropolitan council and local government units of public land and improvements needed for regional trails and trail corridors situated outside of regional parks and park reserves, in accordance with the council's policy plan, as provided in sections 473.301 to 473.341. The money is available for payment of relocation costs and tax equivalents required in sections 473.315 and 473.341."

Amend the title as follows:

Line 9, strike "Chapter 4, by adding a section;"

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

Mr. Moe from the Committee on Finance, to which was referred

H. F. No. 962: 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 1976, Sections 16.023; 16A.27; 43.12, Subdivision 11; 84B.07; 136A.08, Subdivisions 1 and 2; 176.183, Subdivision 2; 192.52; 268.06, Subdivision 25; 299D.03, Subdivision 1; 351.11; 352E.02; 481.15, Subdivision 2; and Laws 1973, Chapter 567, Section 7; repealing Minnesota Statutes 1976, Sections 124.23; 136.508; 261.233; 352E.05; 355.31 to 355.39.

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

Pages 3 and 4, delete all of section 3

Pages 8 and 9, delete all of section 9

Page 14, line 6, delete "261.233;"

Page 14, line 15, after "in" insert "*this and the following*"

Page 14, line 15, delete "16 to 24" and insert "*of this act*"

Page 17, after line 8, insert:

"Sec. 18. [STATE COMMUNITY COLLEGE BOARD.]
Part Time Employment of Students
State Share 341,000 350,000⁹⁹

Renumber the sections in sequence

Amend the title as follows:

Line 7, delete "43.12, Subdivision 11;"

Line 9, delete "268.06, Subdivision 25;"

Line 13, delete "261.233;"

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

Mr. Moe from the Committee on Finance, to which was referred

H. F. No. 1040: A bill for an act relating to finance; deleting obsolete provisions; changing and clarifying cross-references; authorizing commissioner of finance to transfer money to revolving funds in certain cases; transferring air travel account from commissioner of administration to commissioner of finance; codifying certain provisions formerly in session laws; appropriating money; amending Minnesota Statutes 1976, Sections 12.24, Subdivision 2; 15.50, Subdivision 5; 16.172; 16.80, Subdivision 1; 16A.126; 16A.17, Subdivision 9; 18.69; 43.43, Subdivision 2; 121.48, Subdivision 2; 124.212, Subdivision 19; 136.11, Subdivision 5; 136.144; 136.37; 136.55, Subdivision 2; and Chapters 16A, by adding a section; and 243, by adding a section; repealing Minnesota Statutes 1976, Sections 16.02, Subdivision 21; 16.026, Subdivision 5; and 16A.05; and Laws 1945, Chapter 575, Sections 19 and 21.

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

Page 7, before line 10, insert:

"Sec. 7. Minnesota Statutes 1976, Chapter 16A, is amended by adding a section to read:

[16A.675] [BONDS AND NOTES; NONLIABILITY OF INDIVIDUALS.] *Neither the commissioner of finance nor any person executing state bonds or notes shall be liable personally on the bonds or notes or be subject to any personal liability or accountability by reason of the issuance of them.*"

Renumber the sections in sequence

Amend the title in line 16 by deleting "a section" and inserting "sections"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 883: A bill for an act relating to public welfare; appropriating money for the Vinland National Center.

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

Page 1, after line 5, insert a new section to read:

“Section 1. Subdivision 1. Vinland National Center shall be established in Minnesota to serve as a health resource, education and training center. The primary focus of the activities of the center shall be in the areas of health education and health promotion. The center shall serve health providers, handicapped persons and health consumers.

Subd. 2. The plans for the Vinland National Center shall be submitted to the chairman of the house appropriations committee and the chairman of the senate finance committee for review and comment prior to the making of any binding commitment for construction of any facility and prior to the making of any final decision on the plan of operation of the center. Failure or refusal to make comments promptly shall be deemed a negative comment.

Subd. 3. No money shall be expended for construction of the Vinland National Center until a certificate of need has been obtained pursuant to sections 145.72 to 145.83.”

Renumber the sections in sequence

Page 1, line 7, strike “\$500,000” and insert “\$200,000”

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. 223 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
223	1238				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 223 be amended as follows:

Page 2, delete lines 31 and 32

Page 3, delete lines 1 to 5

Page 3, line 6, delete “3” and insert “2” and delete “Section 1” and insert “This act”

Further amend the title in line 2, by deleting “telephones” and insert “taxation”

Page 1, lines 4 and 5, delete “requiring telephone number publications;”

Page 1, lines 6 and 7, delete “; and Chapter 237, by adding a section”

And when so amended, H. F. No. 223 will be identical to S. F. No. 1238 and further recommends that H. F. No. 223 be given its second reading and substituted for S. F. No. 1238 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. Moe from the Committee on Finance, to which was referred

S. F. No. 1361: A bill for an act relating to health; providing state grants to finance health related research activities; directing the state health coordinating council to establish a health research subcommittee; providing for its powers and duties; appropriating money.

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

Page 1, line 19, after the period strike “At least 50 percent of the”

Page 1, strike lines 20 and 21

Page 4, line 16, after “agency” insert “for the biennium ending June 30, 1979”

Page 4, line 22, strike “\$2,000,000” and insert “\$1,200,000”

Page 4, after line 22, insert, “At least \$50,000 of this appropriation shall be used for a study of the relationship, if any, of the fluoridation of municipal water supplies to cancer. The study shall be conducted by the University of Minnesota medical school. Any municipal water supply not fluoridated in compliance with Minnesota Statutes, Section 144.145 and the rules of the state board of health as of January 1, 1977, need not comply with the law and the rules until July 1, 1979.”

Page 4, line 25, strike “\$2,000,000” and insert “\$1,300,000”

Page 4, line 32, after the period insert “The approved complement of the state planning agency is increased by two persons.”

Page 5, delete lines 1 to 3

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 80: A bill for an act relating to ambulance services; reimbursing political subdivisions, non-profit hospitals or corporations for expenses of training volunteer ambulance attendants;

appropriating money; amending Minnesota Statutes 1976, Chapter 144, by adding a section.

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 1521: A bill for an act relating to claims against the state; appropriating money for the payment thereof; establishing procedures for consideration of certain claims.

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

Page 3, line 27, before "county" insert "commissioner of agriculture, upon recommendation of the"

Page 3, line 28, before "agent" insert "commissioner, upon recommendation of the"

Page 3, line 29, after "officer" insert a comma

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 336: A bill for an act relating to Spanish-speaking people; creating a state board on affairs of the Spanish-speaking people; appropriating money.

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

Page 1, line 13, strike "and shall be persons of Puerto Rican, Cuban, Central"

Page 1, line 14, strike "American or South American descent"

Page 1, line 21, strike "who has a Spanish surname,"

Page 1, line 22, strike "who is primarily of"

Page 2, strike line 1

Page 2, line 2, strike "American or other Spanish descent,"

Page 2, line 2, strike "one"

Page 2, line 3, strike "of the foregoing" and insert "a person who does"

Page 3, line 26, after "commissioner" insert "of administration"

Page 4, line 4, strike "1" and insert "15"

Page 4, line 19, strike "\$150,000" and insert "\$145,500"

Page 4, line 20, after "1977" insert "and shall expire before June 30, 1981"

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

Mr. Moe from the Committee on Finance, to which was referred

S. F. No. 669: A bill for an act relating to energy; extending the application of the state building code to all cities and counties; clarifying state agency rulemaking regarding building code subject matter; further defining large energy facility; imposing duties on the director of the energy agency; requiring promulgation of certain energy conservation standards; revising certain requirements; exempting certain solar energy systems from property taxation; providing a ten percent credit against income tax for the cost of certain solar energy systems; appropriating funds; amending Minnesota Statutes 1976, Sections 16.84; 16.851; 16.86, Subdivision 4; 116H.02, Subdivision 5; 116H.07, Subdivision 1; 116H.12, Subdivision 5, and by adding subdivisions; 116H.121; 116H.126; 116H.13, Subdivision 4; 126.111; 272.02, Subdivision 1; and 290.06, Subdivision 9; repealing Minnesota Statutes 1976, Sections 116H.12, Subdivision 10; 325.811; and 325.812.

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

Page 19, after line 8, insert:

“Sec. 19. The university of Minnesota, the departments of agricultural engineering, and agricultural and applied economics shall carry out a research and demonstration project to study the feasibility of developing an agriculturally derived ethyl alcohol supplement to be blended with diesel fuel so as to produce a liquid fit for use as a fuel in diesel engines used for agricultural purposes. In carrying out the project, the departments shall utilize to the fullest extent possible studies, data and reports of public agencies, private organizations and corporations, research institutes and other institutions of higher education. Before the project begins it shall be presented to the energy agency for review and comment.

An interim report shall be provided by September 1, 1978, to the energy agency and the Minnesota department of agriculture for review and comment. The university shall then provide the legislature with a final report and recommendations by January 1, 1979.

The project report shall include, but is not limited to, results from field studies of demonstration projects, and a review of the technical feasibility, possible energy impacts, biomass options, economic feasibility, agricultural sources and policy recommendations. A review of the relevant literature and a glossary shall also be included.”

Page 19, line 14, strike “fiscal” and insert “biennium”

Page 19, line 15, strike “year”

Page 19, line 27, strike “Notwithstanding Minnesota Statutes, Section”

Page 19, strike lines 28 through 30.

Page 20, after line 2, insert:

"Subd. 6. The sum of \$50,000 is appropriated from the general fund to the university of Minnesota for the purpose of section 19. This appropriation shall not lapse but shall be available for expenditure until January 1, 1979."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, after "requirements;" insert "requiring research on fuel supplements;"

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

SECOND READING OF SENATE BILLS

S. F. Nos. 464, 185, 1071, 1334, 707, 455, 1058, 1486, 227, 1199, 691, 1395, 599, 263, 615, 202, 1360, 883, 1361, 80, 1521, 336 and 669 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. No. 223 was read the second time.

H. F. Nos. 1030, 967, 351, 962 and 1040 were read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

MOTIONS AND RESOLUTIONS

Mr. Schaaf moved that H. F. No. 1582 be withdrawn from the Committee on Finance and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 759 now on General Orders. The motion prevailed.

Mr. Schaaf moved that S. F. No. 350 be withdrawn from the Committee on Finance and re-referred to the Committee on Elections. The motion prevailed.

Pursuant to Rule 21, Mr. Merriam moved that the following members be excused for a Conference Committee on H. F. No. 550 at 6:00 o'clock p.m.:

Messrs. Anderson, Dieterich, Hughes, Merriam and Sillers. The motion prevailed.

RECESS

Mr. Coleman moved that the Senate do now recess until 8:00 o'clock p.m. The motion prevailed.

The hour of 8:00 o'clock p.m. having arrived, the President called the Senate to order.

Pursuant to Rule 21, Mr. Humphrey moved that the following members be excused for a Conference Committee on S. F. No. 1467:

Messrs. Humphrey, Willet, Borden, Solon and Dunn. The motion prevailed.

Pursuant to Rule 21, Mr. McCutcheon moved that the following members be excused for a Conference Committee on H. F. No. 1475:

Messrs. Hanson, Johnson, McCutcheon, Peterson and Stokowski. The motion prevailed.

CALL OF THE SENATE

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

Ashbach	Gunderson	Milton	Schrom	Tennesen
Bang	Jensen	Nichols	Setzepfandt	Ulland, J.
Benedict	Keefe, S.	Ogdahl	Sieloff	Vega
Bernhagen	Kirchner	Olson	Sikorski	Wegener
Coleman	Kleinbaum	Penny	Solon	Willet
Davies	Knoll	Perpich	Spear	
Dunn	Laufenburger	Pillsbury	Staples	
Engler	Luther	Purfeerst	Strand	
Gearly	Menning	Schmitz	Stumpf	

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to revert to the Order of Business of Messages from the House, First Reading of House Bills and Reports of Committees. The motion prevailed.

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. 1023 and 1293.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1977

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. 1362: A bill for an act relating to game and fish; exempting certain disabled residents from the requirements of

obtaining a fishing license; amending Minnesota Statutes 1976, Section 98.47, by adding a subdivision.

Senate File No. 1362 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1977

CONCURRENCE AND REPASSAGE

Mr. Kleinbaum moved that the Senate concur in the amendments by the House to S. F. No. 1362 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1362 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 46 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Milton	Purfeerst	Tennessen
Bang	Jensen	Moe	Schmitz	Ueland, A.
Bernhagen	Keefe, S.	Nelson	Schrom	Ulland, J.
Brataas	Kirchner	Nichols	Setzepfandt	Vega
Chmielewski	Kleinbaum	Ogdahl	Sieloff	Wegener
Coleman	Knoll	Olhoff	Sikorski	Willet
Davies	Laufenburger	Olson	Solon	
Dunn	Lewis	Penny	Spear	
Engler	Luther	Perpich	Strand	
Gearly	Menning	Pillsbury	Stumpf	

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. 270: A bill for an act relating to motor vehicles; increasing gross weight limitations on interstate highways and routes designated by the commissioner of transportation; increasing truck registration taxes on heaviest trucks; establishing procedures for route designation and undesignation; requiring weight enforcement reports by county sheriffs; providing penalties; amending Minnesota Statutes 1976, Sections 168.013, Subdivisions 1c, 1e and 12; 169.79; 169.83, Subdivisions 1 and 2; 169.85; 169.86, by adding a subdivision; and Chapter 169, by adding sections.

Senate File No. 270 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1977

CONCURRENCE AND REPASSAGE

Mr. Laufenburger moved that the Senate concur in the amendments by the House to S. F. No. 270 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 270 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 40 and nays 10, as follows:

Those who voted in the affirmative were:

Bang	Gunderson	Menning	Penny	Sieloff
Benedict	Kirchner	Milton	Perpich	Sikorski
Bernhagen	Kleinbaum	Moe	Pillsbury	Solon
Brataas	Knoll	Nelson	Purfeerst	Staples
Chmielewski	Knutson	Nichols	Renneke	Strand
Dunn	Laufenburger	Ogdahl	Schmitz	Stumpf
Engler	Lessard	Olhoft	Schrom	Vega
Gearty	Lewis	Olson	Setzepfandt	Wegener

Those who voted in the negative were:

Ashbach	Davies	Keefe, S.	Spear	Ueland, A.
Coleman	Jensen	Luther	Tennessen	Ulland, J.

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. 102: A bill for an act relating to taxation; removing levy limitations on certain towns having population of less than 3,500; allowing electors of exempt towns to determine mill rates; amending Minnesota Statutes 1976, Sections 275.09, Subdivision 3; 275.10, Subdivision 1; 275.31; and 275.59.

Senate File No. 102 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 13, 1977

CONCURRENCE AND REPASSAGE

Mr. Chmielewski moved that the Senate concur in the amendments by the House to S. F. No. 102 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 102: A bill for an act relating to the town of Thomson in Carlton county; authorizing a special tax levy for certain purposes.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 46 and nays 4, as follows:

Those who voted in the affirmative were:

Ashbach	Gerty	Luther	Pillsbury	Staples
Bang	Gunderson	Menning	Purfeerst	Strand
Benedict	Jensen	Milton	Renneke	Ueland, A.
Bernhagen	Kirchner	Moe	Schmitz	Ulland, J.
Brataas	Kleinbaum	Nelson	Schrom	Vega
Chmielewski	Knoll	Nichols	Setzepfandt	Wegener
Coleman	Knutson	Ogdahl	Sieloff	
Davies	Laufenburger	Olhoff	Sikorski	
Dunn	Lessard	Olson	Solon	
Engler	Lewis	Penny	Spear	

Messrs. Keefe, S.; Perpich; Stumpf and Tennessen 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 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. 625: A bill for an act relating to employment services; authorizing the summer employment of young persons for state and local service; appropriating money.

Senate File No. 625 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 13, 1977

CONCURRENCE AND REPASSAGE

Mr. Solon moved that the Senate concur in the amendments by the House to S. F. No. 625 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 625 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Davies	Jensen	Laufenburger	Moe
Benedict	Dunn	Keefe, S.	Lessard	Nelson
Bernhagen	Engler	Kirchner	Lewis	Nichols
Brataas	Gerty	Kleinbaum	Luther	Ogdahl
Chmielewski	Gunderson	Knoll	Menning	Olhoff
Coleman	Humphrey	Knutson	Milton	Olson

Penny	Renneke	Sieloff	Strand	Ulland, J.
Perpich	Schmitz	Solon	Stumpf	Vega
Pillsbury	Schrom	Spear	Tennesen	Wegener
Purfeerst	Setzepfandt	Staples	Ueland, A.	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. 1070: A bill for an act relating to franchises; concerning franchise fees; amending Minnesota Statutes 1976, Sections 80C.01, Subdivisions 4 and 9; 80C.08, Subdivision 1; and 80C.09, Subdivision 1.

Senate File No. 1070 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 13, 1977

Mr. Davies moved that S. F. No. 1070 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. 875.

H. F. No. 875: A bill for an act relating to the state housing finance agency; setting the amount of bonds and notes that may be outstanding; clarifying eligibility; providing for fund administration and repayment requirements; appropriating money; amending Minnesota Statutes 1976, Sections 462A.03, Subdivisions 7 and 13; 462A.05, Subdivisions 5 and 15; 462A.07, Subdivision 12, and by adding subdivisions; 462A.21, Subdivisions 4a and 4b, and by adding a subdivision; and 462A.22, Subdivision 1.

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

Kroening, Hanson and Friedrich have been appointed as such committee on the part of the House.

House File No. 875 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 May 13, 1977

Mr. Knoll moved that the Senate accede to the request of the

House for a Conference Committee on H. F. No. 875, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 1102.

H. F. No. 1102: A bill for an act relating to state agencies; purchasing and furnishing goods and services; amending Minnesota Statutes 1976, Chapter 16, by adding a section; Sections 15.047, Subdivision 1; 16.02, Subdivisions 2, 13, 16, 19, and by adding a subdivision; 16.07, Subdivision 8, and by adding a subdivision; 16.72, Subdivision 2; 16.75, Subdivision 7; 16.80, Subdivision 1; 238.04, Subdivision 2; and 327.51, Subdivisions 1 and 3, and by adding a subdivision.

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

Reding, Beauchamp and Zubay have been appointed as such committee on the part of the House.

House File No. 1102 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 May 13, 1977

Mr. Schaaf moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1102, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part 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. 181: A bill for an act relating to retirement; increasing the size of the boards of trustees of the public employees retirement association, Minnesota state retirement system, teachers retirement system and Minneapolis municipal employees retirement board; providing for election processes; survivor benefits for deceased legislators; making miscellaneous changes in the public employees retirement association provisions; amending Minnesota Statutes 1976, Sections 3A.04, Subdivision 1, and by adding a subdivision; 352.03, Subdivisions 1, 2, and by adding a subdivision; 353.01, Subdivisions 2a, 2b, 6, 15, and 20; 353.03, Subdivi-

sion 1; 353.27, Subdivision 4; 353.29, Subdivisions 4 and 8; 353.31, Subdivision 8; 353.32, Subdivision 7; 353.33, Subdivisions 1, 9 and 11; 353.36, Subdivision 2; 353.37; 353.46, by adding a subdivision; and 353.651, Subdivision 3; 354.05, by adding a subdivision; 354.06, Subdivision 1; 422A.02; and 422A.03, Subdivision 1; repealing Minnesota Statutes 1976, Sections 353.016; 353.018; 353.019; 353.03, Subdivision 2a; 353.31, Subdivision 11; 353.36, Subdivision 2d; 353.46, Subdivision 3; and 353.64, Subdivision 5.

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

Patton, Reding and Biersdorf.

Senate File No. 181 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1977

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 five members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 896: A bill for an act relating to the establishment of a power plant site and transmission line route selection authority in the environmental quality board; eliminating the corridor designation process; clarifying certain procedures; authorizing certain options concerning the amount of land to be condemned and annual payments for owners of land condemned for routes or sites; requiring the board and the office of hearing examiners to adopt emergency and permanent rules; authorizing the board to revoke or suspend permits; specifying amounts for route application fees; providing for a property tax credit for land crossed by high voltage transmission lines; providing penalties; amending Minnesota Statutes 1976, Sections 116C.52, Subdivisions 3 and 7, and by adding subdivisions; 116C.53; 116C.54; 116C.55, Subdivisions 2 and 3; 116C.57; 116C.58; 116C.59, Subdivision 1, and by adding subdivisions; 116C.61, Subdivisions 2 and 3; 116C.62; 116C.63; 116C.64; 116C.65; 116C.66; 116C.67; 116C.68; 116C.69; 273.42; 276.04; and Chapters 116C, by adding a section; and 273, by adding a section; repealing Minnesota Statutes 1976, Sections 116C.55, Subdivision 1; and 116C.56.

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

Sieben, H.; Munger; Skoglund; Wenstrom and Biersdorf.

Senate File No. 896 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1977

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 16:

H. F. No. 16: A bill for an act relating to insurance; providing for interest on unpaid benefits; amending Minnesota Statutes 1976, Chapter 61A, by adding a section.

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

Kempe, R.; Hanson and Savelkoul have been appointed as such committee on the part of the House.

House File No. 16 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 May 16, 1977

Mr. McCutcheon moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 16, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 129:

H. F. No. 129: 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.

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

Pehler, Kroening and Peterson have been appointed as such committee on the part of the House.

House File No. 129 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 May 16, 1977

Mr. Penny moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 129, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 256:

H. F. No. 256: A bill for an act relating to insurance; providing for regulation of aircraft and inland marine insurance; amending Minnesota Statutes 1976, Sections 70A.02, Subdivision 2; and 70A.06, Subdivision 3.

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

Wynia, McCollar and Anderson, R., have been appointed as such committee on the part of the House.

House File No. 256 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 May 16, 1977

Mr. Humphrey moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 256, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 259:

H. F. No. 259: A bill for an act relating to insurance; requiring refund of unearned premium on cancellation of certain automobile insurance policies; amending Minnesota Statutes 1976, Section 65B.14; and Chapter 65B, by adding sections.

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

Kelly, R.; Suss and George have been appointed as such committee on the part of the House.

House File No. 259 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 May 16, 1977

Mr. Solon moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 259, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 343:

H. F. No. 343: A bill for an act relating to obscenity; prohibiting the dissemination of obscene photographs or other similar visual representations which depict minors involved in scenes of patently offensive sexual conduct; prescribing penalties; amending Minnesota Statutes 1976, Chapter 617, by adding a section.

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

Nelson, Forsythe and Clark have been appointed as such committee on the part of the House.

House File No. 343 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 May 16, 1977

Mr. Olhoft moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 343, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 398:

H. F. No. 398: A bill for an act relating to protection of the environment; prohibiting sale of pressurized containers using certain chlorofluorocarbon propellants; prescribing penalties.

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

Wynia, Stoa and Dean have been appointed as such committee on the part of the House.

House File No. 398 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 May 16, 1977

Mr. Humphrey moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 398, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 451:

H. F. No. 451: A bill for an act relating to banks; authorizing a bank to establish two detached banking facilities; providing for notice and approval procedures; amending Minnesota Statutes 1976, Sections 47.51; 47.52; 47.53; 47.54; and 47.55.

And the House respectfully requests that a Conference Committee of five members be appointed thereon.

Corbid, George, Hanson, Brinkman and Ewald have been appointed as such committee on the part of the House.

House File No. 451 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 May 16, 1977

Mr. Kleinbaum moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 451, and that a Conference Committee of 5 members be appointed by the Subcommittee 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. 856:

H. F. No. 856: A bill for an act relating to welfare; authorizing the establishment of a centralized disbursement system for payments and for food stamp benefit documents; amending Minnesota Statutes 1976, Section 256.01, by adding a subdivision.

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

Clawson, Neisen and Wigley have been appointed as such committee on the part of the House.

House File No. 856 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 May 16, 1977

Mr. Perpich moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 856, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 544.

H. F. No. 544: A bill for an act relating to highways; removing the construction moratorium on a certain interstate route, and extending it through the city of St. Paul; removing a certain route from the trunk highway system; amending Minnesota Statutes 1976, Sections 161.117; 161.12; and 161.123.

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

Kempe, A; Tomlinson and Osthoff have been appointed as such committee on the part of the House.

House File No. 544 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 May 16, 1977

Mr. Vega moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 544, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 287, 1416, 769, 83, 180, 331, 522 and 1300.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 13, 1977

FIRST READING OF HOUSE BILLS

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

H. F. No. 287: A bill for an act relating to obscenity; prohibiting the showing of obscene motion pictures at drive-in theatres; providing for a hearing in the courts to determine if a motion picture is obscene; prescribing penalties.

Referred to the Committee on Judiciary.

H. F. No. 1416: A bill for an act relating to the legislature; requiring that bodies wholly or principally composed of legislators submit budgets and complement requests to the legislative coordinating commission; amending Minnesota Statutes 1976, Chapter 3, by adding a section.

Referred to the Committee on Rules and Administration.

H. F. No. 769: A bill for an act relating to cities; exempting transit systems owned by the cities of Mankato and North Mankato from gasoline and special fuels tax.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 979 now on General Orders.

H. F. No. 83: A bill for an act relating to crime victims reparations; eliminating the minimum claim amount necessary for reparations; raising the amount of reparations paid to claimants suffering economic loss; amending Minnesota Statutes 1976, Sections 299B.02, 299B.03, Subdivision 2; 299B.04; 299B.05, by adding a subdivision; 299B.06, Subdivisions 1 and 2; and 299B.07, by adding a subdivision.

Mr. Davies moved that H. F. No. 83 be laid on the table. The motion prevailed.

H. F. No. 180: A bill for an act relating to health; appropriating money to fund a program of graduate training in family practice for physicians.

Referred to the Committee on Finance.

H. F. No. 331: A bill for an act relating to motor vehicles; requiring information as to all owners in applications for registration or certificate of title; appropriating money; amending Minnesota Statutes 1976, Sections 168.10, Subdivision 1; 168A.04, Subdivision 1; and 168A.05, Subdivision 3.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 418 now on General Orders.

H. F. No. 522: A bill for an act relating to energy; extending the application of the state building code to all cities and counties; clarifying state agency rulemaking regarding the building code subject matter; extending and clarifying the expiration of the Minnesota energy agency; requiring promulgation of certain energy conservation standards; revising certain requirements; requiring certain efficiencies for air conditioners; prohibiting certain open flame pilot lights; appropriating money; amending Minnesota Statutes 1976, Sections 16.84; 16.851; 16.86, Subdivision 4; 16.861, Subdivision 4; 116H.02, Subdivision 5; 116H.07, Subdivision 1, and by adding a subdivision; 116H.12, Subdivisions 5 and 10, and by adding subdivisions; 116H.121; 116H.124; 116H.126; 116H.13, Subdivision 4; 126.111; and Chapter 116H, by adding sections; repealing Laws 1974, Chapter 307, Section 19.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 669 now in the Subcommittee on Bill Scheduling.

H. F. No. 1300: A bill for an act relating to outdoor recreation; appropriating money for acquisition and betterment of parks, trails, wildlife lands, outdoor athletic courts, and for other purposes; authorizing sale of bonds; amending Minnesota Statutes

1976, Sections 85.016; 97.49, Subdivision 3; 473.121, Subdivision 14; 473.302; 473.303, by adding a subdivision; 473.315, Subdivision 1; Chapter 4, by adding a section; and Chapter 85, by adding a section.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1360 now in the Subcommittee on Bill Scheduling.

REPORTS OF COMMITTEES

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

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred

S. F. Nos. 679, 514, 1444, 137, 743 and H. F. Nos. 789, 6 and 818 makes the following report:

That S. F. Nos. 679, 514, 1444, 137, 743, H. F. Nos. 789, 6 and 818 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the subcommittee on which floor action was requested.

Report adopted.

APPOINTMENTS

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

S. F. No. 932, pursuant to the request of the Senate:

Messrs. Menning, Knutson and Olson.

H. F. No. 801, pursuant to the request of the House:

Messrs. Stokowski, Kleinbaum and Kirchner.

S. F. No. 1172, pursuant to the request of the Senate:

Messrs. Borden, Schaaf and Sieloff.

S. F. No. 274, pursuant to the request of the Senate:

Messrs. Perpich, Nelson and Willet.

H. F. No. 1102, pursuant to the request of the House:

Messrs. Schaaf, Gunderson and Ulland, J.

H. F. No. 875, pursuant to the request of the House:

Messrs. Knoll, Anderson and Willet.

H. F. No. 1610, pursuant to the request of the House:

Messrs. Kleinbaum, Schaaf, Purfeerst, Gearty and Ogdahl.

S. F. No. 977, pursuant to the request of the Senate:

Messrs. Olson, Chmielewski and Ueland, A.

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

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated the following bills a Special Orders Calendar for immediate consideration:

S. F. Nos. 1015, 1 and H. F. No. 1337.

SPECIAL ORDER

H. F. No. 1337: A bill for an act relating to taxation; removing membership dues, fees and assessments received by certain homeowners associations from definition of gross income for corporate income tax purposes; amending Minnesota Statutes 1976, Section 290.01, Subdivision 20.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lewis	Perpich	Sikorski
Bang	Gunderson	Luther	Pillsbury	Spear
Benedict	Jensen	Menning	Purfeerst	Strand
Bernhagen	Kirchner	Nelson	Renneke	Stumpf
Brataas	Kleinbaum	Nichols	Schaaf	Tennessee
Chmielewski	Knoll	Ogdahl	Schmitz	Ueland, A.
Coleman	Knutson	Olhoft	Schrom	Ulland, J.
Davies	Laufenburger	Olson	Setzepfandt	Vega
Dunn	Lessard	Penny	Sieloff	Wegener

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 1015: A bill for an act relating to the environment; establishing a program of state assistance for the removal of dilapidated buildings; increasing surcharges on certain building permits; requiring certain units of government to establish dilapidated building removal accounts; authorizing the commissioner of transportation to remove certain dilapidated buildings; appropriating money; amending Minnesota Statutes 1976, Section 16.866.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 40 and nays 7, as follows:

Those who voted in the affirmative were:

Bang	Jensen	Luther	Perpich	Strand
Benedict	Keefe, S.	Menning	Purfeerst	Stumpf
Bernhagen	Kirchner	Milton	Schmitz	Tennessee
Chmielewski	Kleinbaum	Moe	Setzpfandt	Ueland, A.
Coleman	Knoll	Nelson	Sieloff	Ulland, J.
Davies	Laufenburger	Nichols	Sikorski	Vega
Engler	Lessard	Olhoff	Spear	Wegener
Gearty	Lewis	Penny	Staples	Willet

Those who voted in the negative were:

Ashbach	Knutson	Pillsbury	Renneke	Schrom
Brataas	Ogdahl			

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 1: A bill for an act relating to solid waste pollution; requiring beverage containers to have certain refund values after a certain date; providing penalties.

CALL OF THE SENATE

Mr. Luther imposed a call of the Senate for the proceedings on S. F. No. 1.

The following Senators answered to their names:

Ashbach	Gunderson	Menning	Purfeerst	Tennessee
Bang	Jensen	Milton	Renneke	Ueland, A.
Benedict	Keefe, S.	Nelson	Schaaf	Ulland, J.
Bernhagen	Kirchner	Nichols	Schmitz	Vega
Brataas	Kleinbaum	Ogdahl	Schrom	Wegener
Chmielewski	Knoll	Olhoff	Sieloff	Willet
Coleman	Knutson	Olson	Spear	
Davies	Laufenburger	Penny	Staples	
Engler	Lessard	Perpich	Strand	
Gearty	Luther	Pillsbury	Stumpf	

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

Mr. Laufenburger moved to amend S. F. No. 1 as follows:

Page 2, line 6, strike "ten" and insert "25"

Page 2, line 12, strike "90" and insert "80"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 6 and nays 34, as follows:

Those who voted in the affirmative were:

Brataas	Lessard	Purfeerst	Schrom	Ueland, A.
Kleinbaum				

Those who voted in the negative were:

Benedict	Johnson	Milton	Peterson	Staples
Chmielewski	Keefe, S.	Nelson	Pillsbury	Strand
Coleman	Kirchner	Nichols	Schmitz	Stumpf
Dunn	Knoll	Olhoft	Setzepfandt	Ulland, J.
Gearty	Lewis	Olson	Sieloff	Vega
Gunderson	Luther	Penny	Sikorski	Willet
Hanson	Menning	Perpich	Spears	

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

Mr. Peterson moved to amend S. F. No. 1 as follows:

Page 1, line 8, strike "4" and insert "6"

Page 2, after line 2, insert:

"Subd. 6. "Local recycling center" means a commercial establishment approved by a county board where any person may return empty beverage containers having a refund value displayed thereon pursuant to section 4.

Subd. 7. "Nonrefillable beverage container" means a beverage container which is not suitable for refilling because of its construction or the raw materials used in its production or because of any information stated on the beverage container.

Subd. 8. "Refillable beverage container" means a beverage container, other than a nonrefillable beverage container.

Sec. 2. [116.452] [COUNTY COMPREHENSIVE SOLID WASTE PLAN.] Before March 1, 1979, each county located within the metropolitan area, as defined in section 473.121, subdivision 2, shall complete a solid and hazardous waste policy plan required in section 473.803 and each county located outside the metropolitan area shall complete and adopt a comprehensive solid waste management plan which identifies the source, supply, collection, transportation, storage, disposal treatment and recycling of solid waste as defined in section 116.06, subdivision 10. Each county plan shall identify all existing facilities which perform these activities and specifically state the need, capacity and location of new facilities, including recycling centers to be licensed pursuant to section 3.

Sec. 3. [116.453] [LOCAL RECYCLING CENTERS.] Subdivision 1. [APPLICATION FOR APPROVAL.] Any person may file with the county board an application for approval to operate a local recycling center. The application shall state the name and address of the person responsible for the establishment and operation of the center, the kinds, sizes and brand names of beverage containers which will be accepted and the names and addresses of dealers to be served and their distances from the local recycling center. The application shall also specify all of the other types of solid waste the proposed center will accept.

Subd. 2. [APPROVAL.] The county board shall approve a local recycling center if it finds that the center will provide a convenient and necessary service for the return of empty beverage containers and is consistent with the county's comprehensive solid waste man-

agement plan. The license to operate a local recycling center shall state the dealers to be served and the kinds, sizes and brand names of empty beverage containers which the center shall accept. The license shall also state any other conditions deemed appropriate by the county board.

Subd. 3. [POSTED LISTS.] A list of the dealers served and the kinds, sizes and brand names of empty beverage containers accepted shall be prominently displayed at each local recycling center. All dealers shall prominently display the name and location of all local recycling centers licensed to serve the area.

Subd. 4. [WITHDRAWAL OF APPROVAL.] The county board may review at any time approval of a local recycling center. After written notice to the person responsible for the establishment and operation of the local recycling center and to the dealers served by the center, the county board may, after hearing, withdraw approval of a local recycling center if it finds there has not been compliance with the license or if the local recycling center no longer provides a convenient and necessary service to the public. "

Renumber and recodify the remaining sections

Page 2, line 4, strike "June 30, 1978" and insert "September 1, 1979"

Page 2, line 8, strike "June 30, 1978" and insert "September 1, 1979"

Page 2, line 10, after "clean" insert "refillable"

Page 2, line 12, strike "90 percent of" and insert "at least"

Page 2, line 13, strike "3" and insert "5"

Page 2, after line 13, insert:

"(b) A local recycling center shall accept an empty nonrefillable beverage container of the kind, size and brand posted by the center pursuant to section 3, subdivision 3, and shall pay to the person returning the nonrefillable beverage container at least 80 percent of the refund value displayed thereon pursuant to section 5. A center may accept a previously used empty refillable beverage container and shall pay at least the refund value displayed thereon pursuant to section 5."

Page 2, line 14, strike "(b)" and insert "(c)"

Page 2, line 15, after "dealer" insert "or local recycling center"

Page 2, line 15, after "empty" insert "refillable"

Page 2, line 18, strike "3" and insert "5"

Page 2, line 24, after "dealer" insert "or a local recycling center"

Page 2, line 26, after "empty" insert "refillable"

Page 2, line 27, strike "3" and insert "5"

Page 2, line 27, after the period insert "A dealer, distributor, bottler or designee shall not accept any previously used, empty

nonrefillable beverage container from any person, except a local recycling center.

Subd. 4. After September 1, 1979, before the last day of each month, each dealer in the state shall complete a report on a form supplied by the commissioner of revenue specifying the total amount of deposits collected for the sale of nonrefillable beverage containers during the reporting period and forward the report and the total amount collected to the auditor of the county where the dealer's establishment is located.

Subd. 5. The county auditor shall pay each local recycling center the refund value specified on each empty nonrefillable beverage container returned at the center. Based upon estimates of the number of returned empty nonrefillable beverage containers submitted by each local recycling center located in the county, the county auditor shall direct monthly advance payments to be made from the funds collected pursuant to subdivision 4 to each local recycling center commencing September 1, 1979. The county auditor shall direct adjustment of any overestimate in a succeeding month based upon each local recycling center's monthly report of the number of empty nonrefillable beverage containers returned to that center.

Subd. 6. After September 1, 1979, each county auditor shall file an annual report prior to March 1 to the commissioner of revenue on a form supplied by him specifying the total amount of money collected by the county pursuant to subdivision 4 and the total amount of payments pursuant to subdivision 5 during the previous calendar year. Any county which collected an amount pursuant to subdivision 4 greater than the payments pursuant to subdivision 5 during the previous calendar year shall forward the surplus to the commissioner of revenue who shall distribute the surpluses among those counties which paid more pursuant to subdivision 5 than they collected pursuant to subdivision 4, on a basis proportional to that deficit.

After the commissioner has made this distribution, if the amount collected pursuant to subdivision 4 plus the amount of distribution from the commissioner pursuant to this subdivision equals the amount paid pursuant to subdivision 5 in each county, then the commissioner shall distribute any remaining surplus among all counties on a basis proportional to the amounts paid pursuant to subdivision 5."

Page 2, line 28, strike "June 30" and insert "September 1"

Page 2, line 29, strike "1978" and insert "1979"

Page 3, line 2, strike "2" and insert "4"

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

Amend the title as follows:

Line 2, after the semicolon, insert "requiring each county to adopt a comprehensive solid waste management plan; authorizing counties to license recycling centers;"

Mr. Wegener questioned whether the amendment was germane.

The President ruled the amendment was germane.

The question was taken on the adoption on the amendment.

The roll was called, and there were yeas 34 and nays 25, as follows:

Those who voted in the affirmative were:

Benedict	Hanson	McCutcheon	Perpich	Staples
Bernhagen	Johnson	Merriam	Peterson	Stokowski
Brataas	Keefe, S.	Milton	Pillsbury	Strand
Davies	Kirchner	Moe	Schaaf	Stumpf
Dieterich	Knoll	Olhoff	Setzpfandt	Ulland, J.
Dunn	Lewis	Olson	Sikorski	Willet
Gunderson	Luther	Penny	Spear	

Those who voted in the negative were:

Ashbach	Gearty	Lessard	Purfeerst	Solon
Bang	Jensen	Menning	Renneke	Tennessee
Borden	Kleinbaum	Nelson	Schmitz	Ueland, A.
Chmielewski	Knutson	Nichols	Schrom	Vega
Engler	Laufenburger	Ogdahl	Sieloff	Wegener

The motion prevailed. So the amendment was adopted.

Mr. Schrom moved that S. F. No. 1 be stricken from the Special Orders Calendar and re-referred to the Committee on Local Government.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 11 and nays 47, as follows:

Those who voted in the affirmative were:

Chmielewski	Menning	Olson	Schmitz	Stumpf
Jensen	Ogdahl	Renneke	Schrom	Ueland, A.
Kleinbaum				

Those who voted in the negative were:

Bang	Gearty	Laufenburger	Olhoff	Staples
Benedict	Gunderson	Lessard	Penny	Stokowski
Bernhagen	Hanson	Lewis	Perpich	Strand
Borden	Humphrey	Luther	Peterson	Tennessee
Brataas	Johnson	McCutcheon	Pillsbury	Ulland, J.
Coleman	Keefe, J.	Merriam	Setzpfandt	Vega
Davies	Keefe, S.	Milton	Sieloff	Willet
Dieterich	Kirchner	Moe	Sikorski	
Dunn	Knoll	Nelson	Solon	
Engler	Knutson	Nichols	Spear	

The motion did not prevail.

Mr. Stokowski moved to amend S. F. No. 1 as follows:

Page 1, line 21, after "container" insert "or a daily newspaper"

Page 2, line 3, delete "[REFUNDS.]" and insert "[REFUND VALUES.]"

Page 2, lines 3 and 4, delete "[VALUE OF CONTAINERS.]" and insert "[AMOUNT.]"

Page 2, line 4, delete "a" and insert "every"

Page 2, line 5, after "container" insert "and every daily newspaper"

Page 2, line 9, delete "an" and insert "every daily newspaper and every"

Page 2, line 12, before "beverage" insert "daily newspaper or"

Page 2, after line 23, insert the following:

"(c) The publisher of a daily newspaper or his designee shall accept from a dealer any daily newspaper published by the publisher and shall pay the dealer a refund value as provided in subdivision 1."

Page 2, line 25, before "distributor" insert "publisher,"

Page 2, line 26, after "container" insert "or daily newspaper"

Page 3, line 1, after "container." insert "After June 30, 1978, the publisher of every daily newspaper shall on or near the masthead of the newspaper print the retail price of the newspaper showing both the refund value of the newspaper and the price not attributable to refund value."

Further, amend the title as follows:

Page 1, line 3, after "containers" insert "and daily newspapers"

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

Mr. Luther moved to amend S. F. No. 1 as follows:

Page 1, after line 6 insert:

"Section 1. Minnesota Statutes 1976, Section 116E.03, Subdivision 7, is amended to read:

Subd. 7. [EMPLOYMENT OF STAFF.] The state board and the regional councils may employ such *the* administrative and clerical staff as may be necessary to carry out the functions of the state board and regional councils as described in sections 116E.01 to 116E.04 ; ~~including, but not limited to, an executive director to represent and manage the affairs of the state board, and/or regional councils, as the case be . All employees, except the executive director, serving the board who were hired after July 1, 1976, shall be in the classified civil service of the state.~~ In addition, the state board and regional councils may employ and fix the compensation of ~~each~~ any experts and consultants as may be necessary to carry out their functions under sections 116E.01 to 116E.04.

Sec. 2. Minnesota Statutes 1976, Section 116E.03, Subdivision 7a, is amended to read:

Subd. 7a. [EXECUTIVE DIRECTOR.] The executive director of the state board shall be experienced in the administration of environment-related programs. ~~All employees serving the board shall be in the classified civil service of the state. This subdivision~~

shall not apply to board employees serving on July 1, 1976. He shall be appointed by the governor with the consent of the senate for a four year term, which shall coincide with the term of the governor and shall serve 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 executive director shall be filled by the governor with the consent of the senate, for the unexpired term.

Sec. 3. Minnesota Statutes 1976, Section 116E.03, Subdivision 8, is amended to read:

Subd. 8. [CONTRACTS.] The chief administrative officer executive director of the state board may contract with persons, firms, corporations, organizations, units of government or institutions of higher learning for doing any of the work of his office, and none of the provisions of chapter 16, relating to bids, shall apply to such contracts. The regional councils may contract with the regional development commissions designated by the governor pursuant to Minnesota Statutes 1971, Section 462.385, to accomplish the purposes of sections 116E.01 to 116E.04. All personnel employed and all contracts entered into pursuant to this subdivision shall be subject to the approval of the state board. Agreements to exercise delegated powers shall be by written order filed with the secretary of state.

Sec. 4. Minnesota Statutes 1976, Section 174.02, Subdivision 2, is amended to read:

Subd. 2. [UNCLASSIFIED POSITIONS.] The commissioner may establish ~~four~~ five 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. *The commissioner shall delegate his responsibilities and duties specified in sections 11 to 24 of this act to one of the persons in the unclassified service.*

Page 1, line 8, strike "1 to 4" and insert "5 to 10"

Page 2 line 13, strike "3" and insert "9"

Page 2, lines 18 and 27, strike "3" and insert "9"

Page 3, line 2, strike "2" and insert "8"

Page 3, line 3, strike "3" and insert "9"

Page 3, delete lines 5 and 6 and insert:

"Sec. 11. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.61] [DEFINITIONS.] *Subdivision 1. For the purposes of sections 11 to 24, the terms defined in this section have the meanings given them unless the context clearly indicates otherwise.*

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

Subd. 3. "Department" means the department of transportation.

Subd. 4. "Importer" means any person who initially imports into this state for subsequent sale, use or consumption in this state products manufactured outside this state.

Subd. 5. "Litter" means all waste material including but not limited to any glass, bottles, nails, tacks, wire, cans, garbage, swill, papers, carcass of any dead animal, offal, trash or rubbish.

Subd. 6. "Litter bag" means a bag or container with a capacity of at least one quart, but not more than eight quarts intended for the temporary storage of litter.

Subd. 7. "Manufacturer" means any person who performs or provides the last act, function or process respecting the manufacture, formulation, fabrication or conversion of any product for sale, use or consumption in this state.

Subd. 8. "Person" means any corporation, partnership, association, or individual.

Subd. 9. "Vehicle" has the meaning specified in section 169.467, subdivision 2, excluding motorcycles and snowmobiles.

Subd. 10. "Watercraft" means any watercraft required to be licensed pursuant to section 361.03, subdivision 3.

Subd. 11. "Public place" means any area that is used or held out for use by the public, whether owned or operated by public or private interests.

Subd. 12. "Peace officer" has the meaning specified in section 352E.01, subdivision 2.

Sec. 12. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.62] [RULES; APPLICATION.] *In addition to his other powers and duties, the commissioner shall promulgate rules necessary to carry out the provisions of sections 11 to 24, provided the rules are not inconsistent with any rules promulgated by the pollution control agency concerning the transporting, storing, dumping, or removing of solid waste. The rules shall specify standards concerning the distribution and location of litter receptacles in public places.*

Sec. 13. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.63] [ENFORCEMENT.] *All peace officers shall enforce the provisions of sections 11 to 22 and all rules adopted thereunder and may issue citations to, and arrest without warrant, persons violating any provision of sections 11 to 22 or any of the rules adopted thereunder. Any person may file a complaint in regard to a violation of sections 11 to 22 or the rules adopted thereunder with the appropriate law enforcement agency. All law enforcement officials may serve and execute all warrants, citations, and other process issued by courts in enforcing the provisions of sections 11*

to 22 and rules adopted thereunder. Mailing by certified mail of a warrant, citation, or other process to the last known place of residence of the person charged shall be deemed personal service.

Sec. 14. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.64] [LITTERING PROHIBITED.] *Subdivision 1. No person shall throw, place, dump, discard or otherwise deposit, or cause to be thrown, placed, dumped, discarded or otherwise deposited any litter in any public place or on any public street, highway, land, water or the ice thereon except with the permission of or in the manner prescribed by the governing body having jurisdiction over the public places.*

Subd. 2. No person shall throw, place, dump, discard or otherwise deposit, or cause to be thrown, placed, dumped, discarded or otherwise deposited any litter on any privately owned land or water or the ice thereon except with the permission of or in the manner prescribed by the owner thereof.

Subd. 3. Any person removing a wrecked or damaged vehicle from a highway shall remove any glass or other injurious substance dropped within any highway right-of-way from the vehicle.

Subd. 4. No person shall drop or hurl any destructive or injurious material or object at or upon any motor vehicle or the occupants thereof within any highway right-of-way.

Sec. 15. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.65] [OWNER OR OPERATOR LIABILITY.] *It shall be unlawful for the owner of a vehicle or watercraft, if he is then present in the vehicle or watercraft, or the driver of the vehicle as defined in section 169.01, subdivision 25, or the operator of the watercraft as defined in section 361.02, subdivision 6, to allow a passenger in his vehicle or watercraft to violate section 14, subdivision 1 or 2. This section shall not apply to a school bus or a vehicle transporting passengers for hire.*

Sec. 16. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.66] [LITTER RECEPTACLES; PUBLIC PLACES.] *Every person owning or operating any public place in which litter receptacles are required by the rules of the commissioner shall obtain and place receptacles at his own expense on the premises in accordance with the rules adopted by the commissioner. The owner or person operating a public place may limit the litter placed in litter receptacles to that quantity and composition which is normally contained in a litter bag.*

Sec. 17. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.67] [LITTER BAGS REQUIRED.] *No person shall operate a vehicle or a watercraft unless it contains a litter bag.*

Sec. 18. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.68] [LITTER BAGS; DESIGN AND DISTRIBUTION.] *The department may make available litter bags and other promotional material bearing the statewide anti-litter symbol. These litter bags may be distributed by the department of public safety, at no charge, to the owner of every licensed vehicle in this state at the time of license renewal. The department may provide these litter bags at no charge at rest areas, field offices and other locations deemed appropriate by the commissioner of transportation. The department of natural resources may make these litter bags available to the owners of watercraft in this state at the time of license renewal and at any locations deemed appropriate by the commissioner of natural resources.*

Sec. 19. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.69] [LITTER CONTROL PROGRAMS; PUBLIC EDUCATION; DISTRIBUTION OF FUNDS.] *The commissioner shall coordinate programs involving public and private agencies for the purposes of research, development, and public education concerning the litter problem. He shall actively encourage the cooperation and support of labor, industry and other persons interested in anti-litter activities. The commissioner shall be the agent of the state for receipt of public or private funds and gifts made available for purposes of sections 11 to 24. Any funds or gifts received pursuant to this section are annually appropriated to the commissioner for the purposes of sections 11 to 24. He may make grants available for the purposes stated in this section to those persons he deems appropriate and qualified.*

Sec. 20. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.70] [PENALTIES.] *Subdivision 1. Any person who violates the provisions of section 14 is guilty of a misdemeanor. Upon the conviction of any person for a violation of section 14, subdivision 1 or 2, the court may stay imposition or execution of sentence and may, as a condition of probation, order the violator to work under the supervision of a conservation officer or the department for up to eight hours in any program of litter removal or beautification.*

Subd. 2. Any person who fails to provide litter receptacles as required by section 16, is guilty of a petty misdemeanor.

Subd. 3. Any person who violates the provisions of section 17, may be fined not more than \$10.

Sec. 21. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.71] [FINES; GOVERNMENTAL SHARING.] *Any political subdivision which collects a fine or bail forfeiture under the provisions of sections 11 to 24 shall forward one half of the collected amounts to the general fund of the state treasury. These*

funds are hereby appropriated to the commissioner for the purposes of implementing sections 11 to 24.

Sec. 22. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.72] [NOTICE TO PUBLIC.] *The commissioner, with the approval and cooperation of the Minnesota environmental education board, shall take appropriate action as necessary to inform the public of the contents of sections 11 to 24 and the penalties for violation thereof.*

Sec. 23. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.73] [LITTER COLLECTION AND SURVEY RULES.] *The department shall make a collection and survey of litter to be completed by November 30, 1977, of the types and kinds of litter that are discarded in violation of the laws of the state. The survey shall include litter found throughout the state, including standard metropolitan statistical areas and rural and recreational areas. To the fullest extent possible, in standard metropolitan statistical areas the department shall make use of local litter and trash collection services through arrangements with local governing bodies and appropriate agencies, in the discharge of the duties imposed by this section. The department shall report to the governor and the legislature on the amount of litter collected pursuant to this section and shall include in its report an analysis by item, weight and volume, and, where practicable, the biodegradability of the types of products, packages, wrappings and containers which compose significant amounts of the litter collected. Prior to January 1, 1978, the commissioner shall adopt rules pursuant to chapter 15 which define the categories of products which constitute significant amounts of litter and whose packages, wrappings or containers constitute significant amounts of litter, excluding products in beverage containers which are required to display a refund value upon the effective date of section 9 of this act.*

Sec. 24. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.74] [LITTER LICENSE FEE; AMOUNT; COLLECTION APPROPRIATION.] *There is hereby levied and imposed upon every person in the state engaged in business as a manufacturer or importer of products described in the department of transportation rules promulgated pursuant to section 23, whose gross sales of such products exceed \$100,000, an annual litter fee of .05 percent of annual gross sales in excess of \$100,000 of such products within the state of Minnesota. In calculating gross sales for purposes of the litter fee, all sales within the meaning of section 297A.25, subdivision 1, clause (d), shall be exempt. The license fee shall be due and payable on or before January 25 of each year and shall be collected annually and administered by the department of revenue in the same manner as the sales and use tax imposed under Minnesota Statutes, Chapter 297A. The receipts of the litter license fee and any unappropriated and un-*

expended revenue from the tax imposed pursuant to section 168B.11 shall be deposited in the general fund.

Sec. 25. [REPEALER.] *Minnesota Statutes 1976, Sections 85.20, Subdivision 6; 169.42 and 609.68, are repealed.*

Sec. 26. [APPROPRIATIONS.] *Subdivision 1. There is appropriated from the general fund to the commissioner of transportation the following amounts for the following purposes for the period from July 1, 1977, to June 30, 1979:*

- | | |
|--|----------------|
| <i>(a) For a contract with the Minnesota environmental education board for public education concerning litter, resource conservation, recycling, and resource recovery</i> | <i>369,000</i> |
| <i>(b) For administrative expenses to implement sections 11 to 24 of this act</i> | <i>600,000</i> |

The approved complement of the department of transportation is increased by one person.

Subd. 2. There is appropriated from the general fund to the director of the pollution control agency the following amounts for the period from July 1, 1977, to June 30, 1979:

- | | |
|---|-----------------|
| <i>(a) For the purpose of assisting and making grants for resource conservation, recycling and resource recovery projects</i> | <i>416,000</i> |
| <i>(b) For the packaging review program</i> | <i>193,321.</i> |

\$51,385 for fiscal 1978 and \$90,519 for fiscal 1979 is not available for expenditure and four complement positions are not approved, until after a final court determination that the program is legal. None of these amounts shall be expended nor shall the positions be filled except with the approval of the governor after consultation with the legislative advisory commission.

- | | |
|-------------------------------------|----------------|
| <i>(c) For automobile recycling</i> | <i>300,000</i> |
|-------------------------------------|----------------|

Subd. 3. There is appropriated from the general fund to the commissioner of revenue the sum of \$15,000 for the period from July 1, 1977, to June 30, 1979, for the administrative expenses of collecting the litter license fee established in section 24 of this act.

Sec. 27. [EFFECTIVE DATE.] *Sections 1 to 15, 18 to 23, and 25 are effective the day following final enactment. Sections 16, 17 and 24 are effective July 1, 1978."*

Renumber the sections in sequence

Underline all new language in the bill

Amend the title as follows:

Line 2, after the semicolon, insert "requiring the director of the Minnesota environmental education board to be appointed by the governor;"

Line 4, after the semicolon, insert "prohibiting littering; prescribing the powers and duties of the commissioner of transportation in regard thereto; requiring litter bags in certain vehicles and watercraft and litter receptacles in public places; prescribing a litter license fee on certain manufacturers and importers; appropriating money;"

Line 4, before the period, insert "amending Minnesota Statutes 1976, Sections 116E.03, Subdivisions 7, 7a and 8; and 174.02, Subdivision 2; and Chapter 174, by adding sections; repealing Minnesota Statutes 1976, Sections 85.20, Subdivision 6; 169.42; and 609.68"

Mr. Laufenburger questioned whether the amendment was germane.

The President ruled the amendment was germane.

Mr. Tennessen moved to amend the Luther amendment to S. F. No. 1, as follows:

Section 13 of the Luther amendment, next to last sentence, strike "*law enforcement officials*" and insert "*peace officers*"

The motion prevailed. So the amendment to the Luther amendment was adopted.

The question recurred on the Luther amendment, as amended.

The roll was called, and there were yeas 35 and nays 30, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Knutson	Olhoff	Spear
Benedict	Hanson	Lewis	Penny	Staples
Bernhagen	Humphrey	Luther	Perpich	Stokowski
Coleman	Jensen	Merriam	Peterson	Strand
Davies	Johnson	Milton	Schaaf	Tennessen
Dieterich	Keefe, S.	Moe	Setzepfandt	Ulland, J.
Dunn	Knoll	Nelson	Sikorski	Willet

Those who voted in the negative were:

Ashbach	Gearty	Lessard	Pillsbury	Sillers
Bang	Hughes	McCutcheon	Purfeerst	Solon
Borden	Keefe, J.	Menning	Renneke	Stumpf
Brataas	Kirchner	Nichols	Schmitz	Ueland, A.
Chmielewski	Kleinbaum	Ogdahl	Schrom	Vega
Engler	Laufenburger	Olson	Sieloff	Wegener

The motion prevailed. So the amendment was adopted.

S. F. No. 1: A bill for an act relating to solid waste pollution; requiring each county to adopt a comprehensive solid waste management plan; authorizing counties to license recycling centers; requiring the director of the Minnesota environmental education board to be appointed by the governor; requiring beverage containers to have certain refund values after a certain date; prohibiting littering; prescribing the powers and duties of the commis-

sioner of transportation in regard thereto; requiring litter bags in certain vehicles and watercraft and litter receptacles in public places; prescribing a litter license fee on certain manufacturers and importers; appropriating money; providing penalties; amending Minnesota Statutes 1976, Sections 116E.03, Subdivisions 7, 7a and 8; and 174.02, Subdivision 2; and Chapter 174, by adding sections; repealing Minnesota Statutes 1976, Sections 85.20, Subdivision 6; 169.42; and 609.68.

Was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

Mr. Ashbach moved that those not voting be excused from voting.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 28 and nays 36, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	McCutcheon	Purfeerst	Stumpf
Bang	Jensen	Menning	Renneke	Ueland, A.
Bernhagen	Keefe, J.	Ogdahl	Schmitz	Vega
Brataas	Kleinbaum	Olhoft	Schrom	Wegener
Chmielewski	Knutson	Olson	Sieloff	
Dunn	Laufenburger	Pillsbury	Sillers	

Those who voted in the negative were:

Anderson	Hanson	Luther	Peterson	Strand
Benedict	Hughes	Merriam	Schaaf	Tennesen
Borden	Humphrey	Milton	Setzepfandt	Ulland, J.
Coleman	Johnson	Moe	Sikorski	Willet
Davies	Keefe, S.	Nelson	Solon	
Dieterich	Kirchner	Nichols	Spear	
Gearty	Knoll	Penny	Staples	
Gunderson	Lewis	Perpich	Stokowski	

The motion did not prevail.

Mr. Laufenburger moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 31 and nays 34, as follows:

Those who voted in the affirmative were:

Benedict	Hanson	Merriam	Peterson	Tennesen
Bernhagen	Humphrey	Milton	Schaaf	Ulland, J.
Borden	Keefe, J.	Moe	Setzepfandt	Willet
Davies	Keefe, S.	Nichols	Sikorski	
Dieterich	Knoll	Olhoft	Spear	
Dunn	Lewis	Penny	Staples	
Gunderson	Luther	Perpich	Strand	

Those who voted in the negative were:

Anderson	Gearty	Laufenburger	Pillsbury	Solon
Ashbach	Hughes	Lessard	Purfeerst	Stokowski
Bang	Jensen	McCutcheon	Renneke	Stumpf
Brataas	Johnson	Menning	Schmitz	Ueland, A.
Chmielewski	Kirchner	Nelson	Schrom	Vega
Coleman	Kleinbaum	Ogdahl	Sieloff	Wegener
Engler	Knutson	Olson	Sillers	

So the bill failed to pass.

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

Mr. Olson moved that H. F. No. 1052 be withdrawn from the Committee on Finance and re-referred to the Committee on Rules and Administration. The motion prevailed.

Mr. Laufenburger moved that H. F. No. 180 be withdrawn from the Committee on Finance and re-referred to the Committee on Rules and Administration. The motion prevailed.

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to revert to the Order of Business of Reports of Committees and Second Reading of House 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 referred under Rule 35, together with the committee report thereon,

H. F. No. 1004: A bill for an act relating to worker's compensation; limiting expenses and profit includable in workers' compensation insurance premiums; permitting the commissioner of insurance to employ an actuary; including legislators in coverage; requiring owners to elect non-coverages; excluding certain family corporations and certain nonprofit associations from coverage; increasing benefit levels; vesting certain benefits; excluding certain employment; regulating attorney's fees; providing for depending surviving spouses; providing for supplemental benefits; altering notice requirements; providing for the distribution of physician's reports; providing for adjustments to benefit payments; creating a workers' compensation study commission; appropriating money; amending Minnesota Statutes 1976, Sections 79.07; 79.30; 176.011, Subdivisions 9 and 11a; 176.012; 176.021, Subdivision 3; 176.041, Subdivision 1; 176.051; 176.081, Subdivisions 1, 2, 3, 4, and 6; 176.101; 176.111, Subdivisions 6, 11 and 21; 176.132, Subdivisions 1, 2, and 3; 176.141; 176.155, Subdivision 1; 176.221, by adding a

subdivision; 176.511, Subdivision 3; 176.645; and Chapter 79 by adding a section; repealing Minnesota Statutes 1976, Sections 176.111, Subdivision 13; and 176.185, Subdivision 8.

Reports the same back with the recommendation that the report from the Committee on Finance that "when so amended the bill do pass" be adopted, and the bill placed on the General Orders Calendar. Amendments adopted. Report adopted.

SECOND READING OF HOUSE BILLS

H. F. No. 1004 was read the second time.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 1:45 o'clock p.m., Tuesday, May 17, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FIFTY-SIXTH DAY

St. Paul, Minnesota, Tuesday, May 17, 1977

The Senate met at 1:45 o'clock p.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	Engler	Knoll	Penny	Spear
Ashbach	Gearty	Knutson	Peterson	Stokowski
Benedict	Gunderson	Laufenburger	Purfeerst	Strand
Bernhagen	Hanson	Lessard	Renneke	Stumpf
Chenoweth	Hughes	Luther	Schaaf	Ueland, A.
Chmielewski	Jensen	McCutcheon	Schmitz	Ulland, J.
Coleman	Johnson	Menning	Schrom	Vega
Davies	Keefe, S.	Nelson	Sikorski	Wegener
Dieterich	Kleinbaum	Olhoft	Sillers	

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

Prayer was offered by the Chaplain, Monsignor Terrence J. Murphy.

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

Anderson	Frederick	Laufenburger	Penny	Spear
Ashbach	Gearty	Lessard	Perpich	Staples
Bang	Gunderson	Lewis	Peterson	Stokowski
Benedict	Hanson	Luther	Pillsbury	Strand
Bernhagen	Hughes	McCutcheon	Purfeerst	Stumpf
Borden	Humphrey	Menning	Renneke	Tennessee
Brataas	Jensen	Merriam	Schaaf	Ueland, A.
Chenoweth	Johnson	Milton	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Moe	Schrom	Vega
Coleman	Keefe, S.	Nelson	Setzepfandt	Wegener
Davies	Kirchner	Nichols	Siloff	Willett
Dieterich	Kleinbaum	Ogdahl	Sikorski	
Dunn	Knoll	Olhoft	Sillers	
Engler	Knutson	Olson	Solon	

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. Sieloff was excused from today's Session from 2:00 o'clock

p.m. until 3:30 o'clock p.m. Messrs. Johnson and McCutcheon were excused from the Session of today at 5:20 o'clock p.m.

Pursuant to Rule 21, Mr. Humphrey moved that the following members be excused for a Conference Committee on S. F. No. 1467:

Messrs. Humphrey, Willet, Dunn, Borden and Solon.

The motion prevailed.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 16, 1977

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

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Act of the 1977 Session of the State Legislature has been received from the Office of the Governor and is deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1977	Date Filed 1977
895		89	May 16	May 16

Sincerely,
Joan Anderson Growe,
Secretary of State

May 16, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

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

Luther Jones, 6511 Humboldt Avenue North, Brooklyn Center, Hennepin County, has been appointed by me, effective April 28, 1977, for a term expiring the first Monday in January, 1981.

Ron Libertus, 1812 Emerson Avenue South, Minneapolis, Hennepin County, has been appointed by me, effective April 28, 1977, for a term expiring the first Monday in January, 1981.

Referred to the Committee on General Legislation and Veterans Affairs.

May 16, 1977

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

Demitrius Jelatis, 1161 Oak Street, Red Wing, Goodhue County, has been appointed by me, effective January 1, 1977, for a term expiring January 1, 1981.

Referred to the Committee on Energy and Housing.

May 16, 1977

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

Juanita Satterlee, 203 West Redwood, Marshall, Lyon County, has been appointed by me, effective April 15, 1977, for a term expiring January 1, 1983.

Referred to the Committee on Commerce.

May 16, 1977

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

Lorraine Clark, 1253 Onondaga Way Northeast, Minneapolis, Hennepin County, has been appointed by me, effective April 18, 1977, for a term expiring the first Monday in January, 1980.

Referred to the Committee on Employment.

May 16, 1977

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

Lilly Merkel, P. O. Box 301, Red Wing, Goodhue County, has been appointed by me, effective April 23, 1977, for a term expiring the first Monday in January, 1979.

Referred to the Committee on Governmental Operations.

Sincerely,
Rudy Perpich, Governor

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. 1531: A bill for an act relating to education; establishing a system of statewide assessment of minimal basic skills of students; providing assistance in teaching basic skills.

Referred to the Committee on Education.

Messrs. Hanson and Moe introduced—

S. F. No. 1532: A bill for an act relating to Pennington county; authorizing the county law library to be supported by certain judicially imposed fee charges.

Referred to the Committee on Judiciary.

Messrs. Milton and Gearty introduced—

S. F. No. 1533: A bill for an act relating to education; school districts; providing for only one election for separate election districts in a year; modifying the number of petitioners required for a proposal for separate election districts; amending Minnesota Statutes 1976, Section 123.32, Subdivision 10.

Referred to the Committee on Elections.

Messrs. Dunn, Willet, Wegener, Anderson and Renneke introduced—

S. F. No. 1534: A bill for an act relating to taxation; providing a property tax credit for certain land kept as a wildlife habitat; appropriating money; amending Minnesota Statutes 1976, Chapter 272, by adding a section.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Pillsbury, Schmitz and Keefe, J. introduced—

S. F. No. 1535: A bill for an act relating to the Lake Minnetonka Conservation District; amending Laws 1967, Chapter 907, Sections 1; 2, Subdivision 2, as amended; and 5, as amended.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Davies introduced—

S. F. No. 1536: A bill for an act relating to insurance; requiring minimum anticipated loss ratios for certain insurance plans; prescribing the powers and duties of the commissioner of insurance relating to the Minnesota comprehensive health insurance act of 1976; amending Minnesota Statutes 1976, Sections 62A.02, Subdivision 3; 62E.02, Subdivisions 2, 4, 8, 11 and 21 and by adding

a subdivision; 62E.03, Subdivision 2; 62E.04, Subdivision 4; 62E.05; 62E.06; 62E.08, Subdivision 1; 62E.09; 62E.10, Subdivisions 1 and 3; 62E.11, Subdivisions 4 and 5; 62E.13, Subdivisions 2 and 4; 62E.14, Subdivision 1; 62E.15, Subdivision 3; and 62E.16; and Laws 1976, Chapter 296, Article III, Section 6; repealing Minnesota Statutes 1976, Sections 62E.08, Subdivision 2; and 62E.11, Subdivision 3.

Referred to the Committee on Commerce.

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. 1338 and 1174.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 16, 1977

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. 828: A bill for an act relating to the city of Duluth; authorizing the city to acquire, construct, and maintain parking facilities and to finance same.

Senate File No. 828 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 16, 1977

CONCURRENCE AND REPASSAGE

Mr. Solon moved that the Senate concur in the amendments by the House to S. F. No. 828 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 828 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Chmielewski	Frederick	Jensen	Knutson
Ashbach	Coleman	Gearty	Johnson	Laufenburger
Bang	Davies	Gunderson	Keefe, S.	Lessard
Bernhagen	Dieterich	Hanson	Kleinbaum	Luther
Brataas	Engler	Hughes	Knoll	McCutcheon

Menning	Peterson	Schmitz	Solon	Stumpf
Nelson	Pillsbury	Schrom	Spear	Ueland, A.
Olhoff	Purfeerst	Setzepfandt	Staples	Ulland, J.
Olson	Renneke	Sikorski	Stokowski	Vega
Penny	Schaaf	Sillers	Strand	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. 695: A bill for an act relating to the Como Park zoo; requiring 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 1976, Chapter 473, by adding a section.

Senate File No. 695 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1977

Mr. Stumpf moved that the Senate do not concur in the amendments by the House to S. F. No. 695 and that a Conference Committee of 3 members be appointed by the Subcommittee 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 that the House has adopted the recommendation and report of the Conference Committee on House File No. 921 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 921: A bill for an act relating to public employees; designating the number of arbitrators to resolve labor dispute; amending Minnesota Statutes 1976, Section 179.72, Subdivision 6.

H. F. No. 921 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 17, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 921

A bill for an act relating to public employees; designating the number of arbitrators to resolve labor dispute; amending Minnesota Statutes 1976, Section 179.72, Subdivision 6.

May 16, 1977

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

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 921 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. 921 be further amended as follows:

Page 2, lines 8 to 12, restore the stricken language

Page 2, line 11, strike "\$100" and insert "\$180"

Page 2, line 13, after "All" insert "fees,"

Page 2, line 14, after the period insert "*In those cases where a single arbitrator is hearing a dispute, the fees, expenses and costs of the arbitrator shall also be shared and assessed equally by the parties to the dispute.*"

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

House Conferees: (Signed) Douglas J. St. Onge, Bob McEachern, Mary C. Murphy

Senate Conferees: (Signed) Clarence M. Purfeerst, Conrad M. Vega, Mel Frederick

Mr. Purfeerst moved that the foregoing recommendations and Conference Committee Report on H. F. No. 921 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. 921: A bill for an act relating to public employees; designating the number of arbitrators to resolve labor dispute; amending Minnesota Statutes 1976, Section 179.72, Subdivision 6.

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

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

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Purfeerst	Stokowski
Ashbach	Gearty	Lessard	Renneke	Strand
Bang	Gunderson	Luther	Schaaf	Stumpf
Benedict	Hanson	McCutcheon	Schmitz	Ueland, A.
Bernhagen	Hughes	Menning	Schrom	Ulland, J.
Brataas	Jensen	Nelson	Setzepfandt	Vega
Chmielewski	Johnson	Olhoft	Sikorski	Wegener
Coleman	Keefe, S.	Olson	Sillers	
Davies	Kleinbaum	Penny	Solon	
Dieterich	Knoll	Peterson	Spear	
Engler	Knutson	Pillsbury	Staples	

So the bill, as amended by the Conference Committee, was 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. 558: A bill for an act relating to game and fish; authorizing the trapping of the great horned owl in certain instances; amending Minnesota Statutes 1976, Section 100.29, Subdivision 32.

Senate File No. 558 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 17, 1977

Mr. Sillers, for Mr. Sieloff, moved that S. F. No. 558 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. 572: A bill for an act relating to credit unions; extending the authority of state chartered credit unions to permit same activities as federally-chartered credit unions where commissioner of banks authorizes by rule; amending Minnesota Statutes 1976, Section 52.04.

Senate File No. 572 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 16, 1977

Mr. Coleman, for Mr. Borden, moved that S. F. No. 572 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. Coleman from the Committee on Rules and Administration to which were referred

H. F. Nos. 1582, 769 and 331 for comparison to companion Sen-

ate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1582	759				
769	979				
331	418				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1582 be amended as follows:

Page 1, line 17, delete "*datacommunications*" and insert "*telecommunications*"

Page 2, line 1, delete "*datacommunications*" and insert "*telecommunications*"

Page 2, line 5, after "*with*" insert "*detection,*"

Page 2, line 8, delete "*datacommunications*" and insert "*telecommunications*"

Page 2, line 15, strike "*criminal*" and delete "*or traffic*"

Page 2, line 32, delete "*datacommunications*" and insert "*telecommunications*"

Page 3, line 4, delete "*datacommunications*" and insert "*telecommunications*"

Page 3, line 9, delete "*or its successor*"

Page 3, line 20, delete "*datacommunications*" and insert "*telecommunications*"

Page 4, line 7, delete "*or its successor*"

Further, amend the title in line 4, by deleting "*datacommunications*" and inserting "*telecommunications*"

And when so amended, H. F. No. 1582 will be identical to S. F. No. 759 and further recommends that H. F. No. 1582 be given its second reading and substituted for S. F. No. 759 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 769 be amended as follows:

Strike everything after the enacting clause and insert

"Section 1. Minnesota Statutes 1976, Section 296.02, is amended by adding a subdivision to read:

Subd. 1a. [EXCEPTION.] The provisions of subdivision 1 do not apply to gasoline purchased by a transit system owned by one or more statutory or home rule charter cities or towns.

Sec. 2. Minnesota Statutes 1976, Section 296.025, is amended by adding a subdivision to read:

Subd. 1a. [EXCEPTION.] The provisions of subdivision 1 do

not apply to special fuel purchased by a transit system owned by one or more statutory or home rule charter cities or towns.

Sec. 3. [EFFECTIVE DATE.] *This act is effective for gasoline and special fuel purchased by a transit system after July 31, 1977."*

Further strike the title and insert:

"A bill for an act relating to taxation; providing an exemption from the gasoline and special fuels tax for certain municipal transit systems; amending Minnesota Statutes 1976, Sections 296.02 and 296.025, by adding subdivisions."

And when so amended, H. F. No. 769 will be identical to S. F. No. 979 and further recommends that H. F. No. 769 be given its second reading and substituted for S. F. No. 979 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 331 be amended as follows:

Page 2, line 1, delete "use" and insert "are"

Page 3, line 11, after "owners" insert "who are natural persons, the full names and addresses of all other owners"

Page 3, line 32, after "owners" insert "who are natural persons, the full names and addresses of all other owners"

And when so amended, H. F. No. 331 will be identical to S. F. No. 418 and further recommends that H. F. No. 331 be given its second reading and substituted for S. F. No. 418 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. 180 and 559 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
559	679				
180	137				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 180 be amended as follows:

Page 1, line 11, before "\$48,000" insert "\$12,000 per student up to a maximum of"

And when so amended, H. F. No. 180 will be identical to S. F. No. 137 and further recommends that H. F. No. 180 be given its second reading and substituted for S. F. No. 137 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 559 be amended as follows:

Page 1, after line 15 insert

"Section 1. Minnesota Statutes 1976, Section 124.48, is amended to read:

124.48 [INDIAN SCHOLARSHIPS.] The state board may award scholarships to any *Minnesota resident* student who has *is of* one-fourth or more Indian ~~blood~~ *ancestry* and who, in the opinion of the board, has the capabilities to ~~profit~~ *benefit* from education. ~~Scholarship~~ *Scholarships* shall be for advanced or specialized education in accredited or approved colleges or in business, technical or vocational schools. Scholarships shall be used to defray tuition, incidental fees, *books, supplies, transportation, other related school costs* and the cost of board and room and shall be paid directly to the college or school concerned. The amount and type of each such scholarship shall be determined through the advice and council of the Minnesota Indian scholarship committee.

When an Indian student satisfactorily completes the work required by a certain college or school in a school year he is eligible for additional scholarships, if additional training is necessary to reach his educational and vocational objective. Scholarships may not be given to any Indian student for more than four years of study."

Page 1, lines 22 to 24 restore the stricken language and delete the new language

Page 1, line 22, after "States" insert "*or is a refugee from Vietnam, Cambodia or Laos*"

Page 2, line 1, restore the stricken language and delete the new language

Page 2, line 4, restore the stricken language and delete the new language

Page 2, lines 10 to 12, restore the stricken language and delete the new language

Page 2, line 10, after "States" insert "*or is a refugee from Vietnam, Cambodia or Laos*"

Page 2, line 19, restore the stricken language and delete the new language

Page 3, line 2, delete "*applicants*" and insert "*applicant's*"

Page 3, line 13, delete "*applicants*" and insert "*applicant's*"

Page 3, lines 26 and 27, delete "*who meet the board's requirements*"

Page 3, lines 29 and 30, delete "*who meet the board's requirements and second year*" and insert "*and*"

Page 4, line 10, restore the stricken language and after "*citizen-*

ship" insert "*or status as a refugee from Vietnam, Cambodia, or Laos*"

Page 4, delete lines 16 to 18

Renumber the subdivisions in order

Page 7, line 8, delete "*Financial*" and insert "*All*"

Page 9, line 2, delete "\$150,000,000" and insert "\$100,000,000"

Page 9, delete lines 11 to 32

Page 10, delete lines 1 to 24

Page 12, line 1, delete "*the handicapped person or the*" and insert "*a*"

Page 12, line 27 to page 13, line 1, restore the stricken language and delete the new language

Page 13, line 16 after "*full-time*" insert "*and pursuing a program or course of study leading to a specific degree, diploma or certificate*"

Page 14, line 1, after "*single*" insert "*academic*"

Page 14, line 5, after "*subsequent*" insert "*academic*"

Page 14, line 14, delete "\$250,000" and insert "\$500,000"

Page 14, line 15, delete "\$250,000" and insert "\$500,000"

Page 14, line 17, delete everything after "*act.*"

Page 14, delete lines 18 and 19

Renumber the sections in order

Further amend the title as follows

Page 1, line 9, after "Sections" insert "124.48;"

And when so amended, H. F. No. 559 will be identical to S. F. No. 679 and further recommends that H. F. No. 559 be given its second reading and substituted for S. F. No. 679 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.

APPOINTMENTS

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

H. F. No. 343, pursuant to the request of the House:

Messrs, Olhoft, Bernhagen and Davies.

H. F. No. 256, pursuant to the request of the House:
Messrs. Humphrey, Sikorski and Kirchner.

H. F. No. 451, pursuant to the request of the House:
Messrs. Kleinbaum, Solon, Bang, Borden and Davies.

S. F. No. 695, pursuant to the request of the Senate:
Messrs. Stumpf, Lewis and Sieloff.

H. F. No. 544, pursuant to the request of the House:
Messrs. Vega; Keefe, S. and Coleman.

H. F. No. 16, pursuant to the request of the House:
Messrs. McCutcheon, Davies and Jensen.

H. F. No. 129, pursuant to the request of the House:
Messrs. Penny, Nichols and Sillers.

H. F. No. 856, pursuant to the request of the House:
Messrs. Perpich, Nelson and Kirchner.

H. F. No. 259, pursuant to the request of the House:
Messrs. Solon, Kleinbaum and Engler.

H. F. No. 398, pursuant to the request of the House:
Messrs. Humphrey, Willet and Bernhagen.

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

SECOND READING OF SENATE BILLS

S. F. No. 1530 was read the second time and referred to the Subcommittee on Bill Scheduling of the Committee on Rules and Administration.

SECOND READING OF HOUSE BILLS

H. F. Nos. 1582, 769, 331, 180 and 559 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Stokowski moved that the name of Mr. Lessard be added as co-author to S. F. No. 472. The motion prevailed.

Mr. Hughes moved that the report from the Committee on

Education, reported May 13, 1977, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Hughes moved that the foregoing report be now adopted. The motion prevailed.

Mr. Hughes divided out the appointment of Jean Farrand to the State University Board.

Mr. Hughes moved that the appointment of Jean Farrand be laid on the table. The motion prevailed.

CONFIRMATION

Mr. Hughes moved that in accordance with the report from the Committee on Education, reported May 13, 1977, the Senate, having given its advice, do now consent to and confirm the appointments of:

STATE UNIVERSITY BOARD

Donald Jackman, Elk River, Sherburne County, effective January 3, 1977, for a term expiring the first Monday in January, 1981.

Alice Keller, 358 Collegeview, Winona, Winona County, effective April 26, 1977, for a term expiring the first Monday in January, 1981.

Kennon Rothchild, 14 Hickory Street, Mahtomedi, Washington County, effective January 3, 1977, for a term expiring the first Monday in January, 1981.

COUNCIL ON QUALITY EDUCATION

Jan Storms, Route 2, Box 135A, Chaska, Carver County, effective May 1, 1977, for a term expiring the first Monday in January, 1978.

Marvin Trammel, 1981 Lyman Lane, Wayzata, Hennepin County, effective April 18, 1977, for a term expiring the first Monday in January, 1982.

The motion prevailed. So the appointments were confirmed.

Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated the following bills a Special Orders Calendar for consideration after the Senate Calendar:

H. F. Nos. 1004, 789, 728 and 223 and S. F. Nos. 1444 and 743.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Senate Calendar and waive the lie-over requirements. The motion prevailed.

Pursuant to Rule 21, Mr. Moe moved that the following members be excused for a Conference Committee on H. F. No. 1510:

Messrs. Keefe, J.; Ogdahl; Tennessen; Moe and Stumpf. The motion prevailed.

Pursuant to Rule 21, Mr. Laufenburger moved that the following members be excused for a Conference Committee on S. F. No. 381:

Messrs. Peterson, Nichols and Bernhagen. The motion prevailed.

THIRD READING OF SENATE BILLS

S. F. No. 1179: A bill for an act relating to savings associations; investments in certain obligations; amending Minnesota Statutes 1976, Section 51A.35.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 47 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lewis	Pillsbury	Staples
Ashbach	Hanson	McCutcheon	Purfeerst	Stokowski
Bang	Hughes	Menning	Renneke	Strand
Benedict	Jensen	Nelson	Schaaf	Ueland, A.
Bernhagen	Johnson	Nichols	Schmitz	Ulland, J.
Brataas	Keefe, S.	Olhoft	Schrom	Vega
Chmielewski	Kleinbaum	Olson	Setzepfandt	Wegener
Engler	Knutson	Penny	Sikorski	
Frederick	Laufenburger	Perpich	Sillers	
Gerty	Lessard	Peterson	Spear	

Messrs. Davies and Dieterich voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 266: A bill for an act relating to elections; providing for training of all election officials; requiring training prior to service as election judge; imposing certain duties on the secretary of state and county auditors; appropriating money; amending Minnesota Statutes 1976, Sections 204A.13, Subdivision 2, and by adding subdivisions; 204A.14, Subdivision 1; 204A.18, by adding a subdivision; 204A.20; and Chapter 204A, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 46 and nays 4, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Johnson	Lewis	Olson
Bang	Frederick	Keefe, S.	Luther	Penny
Benedict	Gerty	Kirchner	McCutcheon	Perpich
Bernhagen	Gunderson	Kleinbaum	Menning	Peterson
Brataas	Hanson	Knutson	Nelson	Pillsbury
Davies	Hughes	Laufenburger	Nichols	Purfeerst
Dieterich	Jensen	Lessard	Olhoft	Schaaf

Schmitz
Setzepfandt
Sikorski

Sillers
Spear

Staples
Stokowski

Ueland, A.
Ulland, J.

Vega
Wegener

Messrs. Chmielewski, Renneke, Schrom and Strand voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 1236: A bill for an act relating to veterans affairs; providing for a study of the need for a veterans facility.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lessard	Perpich	Spear
Ashbach	Gunderson	Lewis	Peterson	Staples
Bang	Hanson	Luther	Pillsbury	Stokowski
Benedict	Hughes	McCutcheon	Purfeerst	Strand
Bernhagen	Jensen	Menning	Renneke	Ueland, A.
Brataas	Johnson	Merriam	Schaaf	Ulland, J.
Chmielewski	Keefe, S.	Nelson	Schmitz	Vega
Davies	Kirchner	Nichols	Schrom	Wegener
Dieterich	Kleinbaum	Olhoff	Setzepfandt	
Engler	Knutson	Olson	Sikorski	
Frederick	Laufenburger	Penny	Sillers	

So the bill passed and its title was agreed to.

S. F. No. 809: A bill for an act relating to veterans; authorizing commissioner of veterans affairs to assist in proceedings for upgrading other than honorable discharges; appropriating money; amending Minnesota Statutes 1976, Section 196.05.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lessard	Peterson	Staples
Ashbach	Gunderson	Lewis	Pillsbury	Stokowski
Bang	Hanson	Luther	Purfeerst	Strand
Benedict	Hughes	McCutcheon	Renneke	Ueland, A.
Bernhagen	Jensen	Menning	Schaaf	Ulland, J.
Brataas	Johnson	Merriam	Schmitz	Vega
Chmielewski	Keefe, S.	Nichols	Schrom	Wegener
Davies	Kirchner	Olhoff	Setzepfandt	
Dieterich	Kleinbaum	Olson	Sikorski	
Engler	Knutson	Penny	Sillers	
Frederick	Laufenburger	Perpich	Spear	

So the bill passed and its title was agreed to.

S. F. No. 160: 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 1976, Sections 15A.083, Subdivision 4; 124.212, Subdivision 11; 271.01, Subdivisions 1 and 4a, and by adding a subdivision; 271.02; 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, Subdivision 2; 271.12; 271.13; 271.15; 271.17; 271.18; 271.20; and 490.121, Subdivision 2; and Chapter 271, by adding sections; repealing Minnesota Statutes 1976, Sections 271.001; 271.01, Subdivisions 2, and 2a; 271.11; 271.14; and 271.16.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 46 and nays 3, as follows:

Those who voted in the affirmative were:

Bang	Gunderson	McCutcheon	Pillsbury	Staples
Benedict	Hanson	Menning	Purfeerst	Stokowski
Bernhagen	Hughes	Merriam	Renneke	Strand
Brataas	Johnson	Milton	Schaaf	Ulland, J.
Chmielewski	Kirchner	Nichols	Schmitz	Vega
Davies	Kleinbaum	Olhoft	Schrom	Wegener
Dieterich	Laufenburger	Olson	Setzepfandt	
Engler	Lessard	Penny	Sikorski	
Frederick	Lewis	Perpich	Sillers	
Gearty	Luther	Peterson	Spear	

Messrs. Jensen, Knutson and Ueland, A. voted in the negative.

So the bill passed and its title was agreed to.

S. F. No. 597: A bill for an act relating to game and fish; requiring a migratory waterfowl stamp; providing for the disposition of proceeds; appropriating funds; amending Minnesota Statutes 1976, Chapter 97, by adding sections; Sections 98.46, Subdivision 2a; and 98.50, Subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 38 and nays 13, as follows:

Those who voted in the affirmative were:

Benedict	Gearty	McCutcheon	Pillsbury	Staples
Bernhagen	Hanson	Merriam	Purfeerst	Stokowski
Brataas	Hughes	Milton	Renneke	Strand
Chmielewski	Jensen	Nelson	Schaaf	Ulland, A.
Davies	Kirchner	Nichols	Setzepfandt	Ulland, J.
Dieterich	Laufenburger	Olson	Sieloff	Vega
Engler	Lewis	Perpich	Sikorski	
Frederick	Luther	Peterson	Spear	

Those who voted in the negative were:

Bang	Kleinbaum	Menning	Schmitz	Sillers
Gunderson	Knutson	Olhoft	Schrom	Wegener
Johnson	Lessard	Penny		

So the bill passed and its title was agreed to.

S. F. No. 90: A bill for an act relating to soil and water conservation; adding the commissioner of natural resources as an ex-officio member of the state soil and water conservation board; authorizing a cost-sharing program; clarifying the powers and duties of the state board and local districts; amending ambiguous or redundant provisions; adding a member to the soil and water conservation board temporarily; appropriating funds; amending Minnesota Statutes 1976, Chapter 40, by adding sections; and Sections 40.01, Subdivision 8, and by adding a subdivision; 40.02; 40.03, Subdivisions 1, 2, 3, and 4; and 40.07, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 14; repealing Minnesota Statutes 1976, Sections 40.005; and 40.07, Subdivision 13.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lessard	Penny	Stokowski
Ashbach	Gearty	Lewis	Pillsbury	Strand
Bang	Gunderson	Luther	Renneke	Stumpf
Benedict	Hanson	McCutcheon	Schaaf	Tennessee
Brataas	Hughes	Menning	Schmitz	Ueland, A.
Chenoweth	Jensen	Merriam	Schrom	Ulland, J.
Chmielewski	Johnson	Milton	Setzpfandt	Vega
Davies	Keefe, S.	Moe	Sieloff	
Dieterich	Kirchner	Nelson	Sikorski	
Dunn	Knutson	Olhoft	Sillers	
Engler	Laufenburger	Olson	Spear	

So the bill passed and its title was agreed to.

THIRD READING OF HOUSE BILLS

H. F. No. 319: 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 1976, Sections 123.39, Subdivision 13; 252.21; 252.22; 252.23; 252.24; 252.25; and 252.26.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Penny	Sikorski
Bang	Gunderson	Lewis	Perpich	Sillers
Benedict	Hanson	Luther	Pillsbury	Spear
Bernhagen	Hughes	McCutcheon	Purfeerst	Staples
Brataas	Jensen	Menning	Renneke	Stokowski
Chmielewski	Johnson	Merriam	Schaaf	Strand
Davies	Kirchner	Nelson	Schmitz	Ueland, A.
Dieterich	Kleinbaum	Nichols	Schrom	Ulland, J.
Engler	Knutson	Olhoft	Setzpfandt	Vega
Frederick	Laufenburger	Olson	Sieloff	Wegener

So the bill passed and its title was agreed to.

H. F. No. 1129: A bill for an act relating to Ramsey county; codifying existing laws relating to the composition, terms, selection and redistricting of the board of commissioners; providing for the time and place of certain board meetings; authorizing rules of procedure and the keeping and publication of a board journal; amending Laws 1974, Chapter 435, Section 2.05, and by adding sections; repealing Laws 1974, Chapters 435, Sections 2.01, 2.02 and 2.06; and 576, Section 2, Subdivisions 1, 2, 3 and 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Olhoff	Setzepfandt
Ashbach	Frederick	Laufenburger	Olson	Sikorski
Bang	Gearty	Lessard	Penny	Sillers
Benedict	Gunderson	Lewis	Perpich	Spear
Bernhagen	Hanson	Luther	Pillsbury	Stokowski
Brataas	Hughes	McCutcheon	Purfeerst	Strand
Chmielewski	Jensen	Menning	Renneke	Ueland, A.
Davies	Johnson	Merriam	Schaaf	Ulland, J.
Dieterich	Kirchner	Nelson	Schmitz	Vega
Dunn	Kleinbaum	Nichols	Schrom	

So the bill passed and its title was agreed to.

H. F. No. 1094: A bill for an act relating to insurance; providing for competitive bids on group contracts for certain public bodies; amending Minnesota Statutes 1976, Section 471.616, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kleinbaum	Olhoff	Setzepfandt
Ashbach	Engler	Knutson	Olson	Sieloff
Bang	Frederick	Laufenburger	Penny	Sikorski
Benedict	Gearty	Lessard	Perpich	Sillers
Bernhagen	Gunderson	Lewis	Pillsbury	Spear
Brataas	Hanson	Luther	Purfeerst	Stokowski
Chenoweth	Hughes	McCutcheon	Renneke	Strand
Chmielewski	Jensen	Menning	Schaaf	Ueland, A.
Davies	Johnson	Nelson	Schmitz	Ulland, J.
Dieterich	Kirchner	Nichols	Schrom	Vega

So the bill passed and its title was agreed to.

H. F. No. 972: A bill for an act relating to fire and casualty loss insurance companies; regulating termination of agency contracts;

requiring certain notice before termination; prescribing civil penalties.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 48 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Lessard	Penny	Sikorski
Ashbach	Frederick	Lewis	Perpich	Sillers
Bang	Gearty	Luther	Pillsbury	Spear
Benedict	Gunderson	McCutcheon	Purfeerst	Stokowski
Brataas	Hanson	Menning	Renneke	Strand
Chenoweth	Hughes	Merriam	Schaaf	Ueland, A.
Chmielewski	Jensen	Nelson	Schmitz	Ulland, J.
Davies	Johnson	Nichols	Schrom	Vega
Dieterich	Kirchner	Olhoft	Setzepfandt	
Dunn	Kleinbaum	Olson	Sieloff	

Messrs. Knutson and Laufenburger voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1201: A bill for an act relating to insurance; requiring insurers to supply cover sheets for insurance policies; requiring insurers to issue readable insurance policies; establishing testing procedures for readability.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 46 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Lessard	Penny	Spear
Ashbach	Gearty	Lewis	Perpich	Stokowski
Bang	Gunderson	Luther	Pillsbury	Strand
Benedict	Hanson	McCutcheon	Purfeerst	Ueland, A.
Brataas	Hughes	Menning	Renneke	Ulland, J.
Chenoweth	Jensen	Merriam	Schaaf	Vega
Chmielewski	Johnson	Nelson	Schmitz	
Davies	Kirchner	Nichols	Setzepfandt	
Dieterich	Kleinbaum	Olhoft	Sikorski	
Dunn	Laufenburger	Olson	Sillers	

Messrs. Frederick, Knutson, Schrom and Sieloff voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 954: A bill for an act relating to juries; enacting the uniform juror selection and service act; providing for the selection and service of grand and petit jurors; providing penalties; repealing Minnesota Statutes 1976, Sections 3.081; 192.24; 357.26; 488A.07; 546.09; 593.03; 593.04; 593.05; 593.06; 593.07; 593.09; 593.10; 593.11; 593.12; 593.13; 593.14; 593.20; 628.42; 628.43;

628.44; 628.45; 628.46; 628.47; 628.49; 628.50; 628.51; 628.52; 628.53; 631.33; and Laws 1959, Chapter 219; and Extra Session Laws 1959, Chapter 19, Section 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Olhoff	Setzepfandt
Ashbach	Frederick	Lessard	Olson	Sieloff
Bang	Gearty	Lewis	Penny	Sikorski
Benedict	Gunderson	Luther	Perpich	Sillers
Brataas	Hanson	McCutcheon	Pillsbury	Spear
Chenoweth	Hughes	Menning	Purfeerst	Stokowski
Chmielewski	Johnson	Merriam	Renneke	Strand
Davis	Keefe, S.	Milton	Schaaf	Ulland, A.
Dieterich	Kirchner	Nelson	Schmitz	Ulland, J.
Dunn	Knutson	Nichols	Schrom	Vega

So the bill passed and its title was agreed to.

H. F. No. 980: A bill for an act relating to public health; regulations for the preservation of public health; authorizing the state board of health to regulate the establishment, operation and maintenance of certain non-hospital clinical laboratories; amending Minnesota Statutes 1976, Section 144.12, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Kleinbaum	Nichols	Setzepfandt
Ashbach	Frederick	Knutson	Olhoff	Sieloff
Bang	Gearty	Laufenburger	Olson	Sikorski
Benedict	Gunderson	Lessard	Penny	Sillers
Brataas	Hanson	Lewis	Perpich	Spear
Chenoweth	Hughes	Luther	Pillsbury	Stokowski
Chmielewski	Jensen	McCutcheon	Purfeerst	Strand
Davis	Johnson	Menning	Renneke	Ulland, A.
Dieterich	Keefe, S.	Milton	Schaaf	Ulland, J.
Dunn	Kirchner	Nelson	Schmitz	Vega

Mr. Schrom voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 562: A bill for an act relating to motor vehicles; requiring informational labels on new pickup trucks; providing penalties.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 42 and nays 8, as follows:

Those who voted in the affirmative were:

Benedict	Hanson	Lewis	Penny	Spear
Chenoweth	Hughes	Luther	Perpich	Stokowski
Davies	Jensen	McCutcheon	Pillsbury	Strand
Dieterich	Johnson	Menning	Purfeerst	Ueland, A.
Dunn	Keefe, S.	Milton	Renneke	Ulland, J.
Engler	Kirchner	Nelson	Schaaf	Vega
Frederick	Kleinbaum	Nichols	Setzepfandt	
Gearty	Laufenburger	Olhoft	Sieloff	
Gunderson	Lessard	Olson	Sikorski	

Those who voted in the negative were:

Ashbach	Brataas	Knutson	Schrom	Sillers
Bang	Chmielewski	Schmitz		

So the bill passed and its title was agreed to.

H. F. No. 257: A bill for an act relating to banks, trust companies and savings banks; rule making authority; fees for special investigations; accounts maintained by banking division employees; fees; banks minimum organizational capital, surplus and undivided profits; providing for certified deposit of capital funds in a custodial bank; providing for banks annual audit systems, approval and reports; state banks minimum capital requirements, establishing investigatory fee for application to acquire trust authority; trust company minimum capital requirements; relating to boards of directors of financial institutions; clarification of certain language; amending Minnesota Statutes 1976, Sections 46.01; 46.04; 46.05; 46.09; 46.131, Subdivision 2, and by adding a subdivision; 48.02; 48.10; 48.36; 48.37; 48.44; 48.67; 48.69; 300.025 and 300.20.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Olson	Sikorski
Ashbach	Gearty	Lessard	Penny	Sillers
Bang	Gunderson	Lewis	Perpich	Spear
Benedict	Hanson	Luther	Pillsbury	Stokowski
Brataas	Hughes	McCutcheon	Purfeerst	Strand
Chenoweth	Jensen	Menning	Renneke	Ueland, A.
Chmielewski	Johnson	Merriam	Schaaf	Ulland, J.
Davies	Keefe, S.	Milton	Schmitz	Vega
Dieterich	Kirchner	Nelson	Schrom	
Dunn	Kleinbaum	Nichols	Setzepfandt	
Engler	Knutson	Olhoft	Sieloff	

So the bill passed and its title was agreed to.

H. F. No. 817: A bill for an act relating to highway traffic regulations; weight limitations; providing that weight increases

for haulers of raw and unfinished forest products shall be state-wide during certain periods; amending Minnesota Statutes 1976, Section 169.83, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 45 and nays 5, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Laufenburger	Olson	Setzepfandt
Benedict	Hanson	Lessard	Penny	Sieloff
Brataas	Hughes	Lewis	Perpich	Sikorski
Chmielewski	Jensen	Luther	Pillsbury	Sillers
Dieterich	Johnson	McCutcheon	Purfeerst	Stokowski
Dunn	Keefe, S.	Menning	Renneke	Strand
Engler	Kirchner	Milton	Schaaf	Ueland, A.
Frederick	Kleinbaum	Nelson	Schmitz	Ulland, J.
Gearty	Knutson	Nichols	Schrom	Vega

Those who voted in the negative were:

Bang	Chenoweth	Davies	Olhoft	Spear
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So the bill passed and its title was agreed to.

H. F. No. 1015: A bill for an act relating to human rights; clarifying the scope of sex discrimination; providing for an appeal by the commissioner; providing for a civil action without filing with the department; amending Minnesota Statutes 1976, Sections 363.01, by adding a subdivision; 363.02, Subdivision 1; 363.05, Subdivision 1; 363.072, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 44 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Luther	Penny	Spear
Benedict	Hanson	Menning	Pillsbury	Stokowski
Brataas	Hughes	Merriam	Purfeerst	Strand
Chenoweth	Johnson	Milton	Schaaf	Stumpf
Chmielewski	Keefe, S.	Moe	Schmitz	Tennessee
Davies	Kirchner	Nelson	Schrom	Ueland, A.
Dieterich	Laufenburger	Nichols	Setzepfandt	Ulland, J.
Dunn	Lessard	Olhoft	Sieloff	Vega
Gearty	Lewis	Olson	Sikorski	

Messrs. Knutson, McCutcheon and Sillers voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1180: A bill for an act relating to financial institutions; permitting the establishment and operation of electronic funds transfer facilities; prescribing the powers and duties of the commissioner of banks in relation to funds transfer facilities; protect-

ing the privacy and security of customers of financial institutions who use electronic funds transfer facilities; prescribing penalties.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearly	Lewis	Penny	Spear
Ashbach	Gunderson	Luther	Pillsbury	Stokowski
Bang	Hanson	McCutcheon	Purfeerst	Strand
Benedict	Hughes	Menning	Renneke	Stumpf
Brataas	Jensen	Merriam	Schaaf	Tennessee
Chenoweth	Johnson	Milton	Schmitz	Ueland, A.
Davies	Keefe, S.	Moe	Schrom	Ulland, J.
Dieterich	Kirchner	Nelson	Setzpfandt	Vega
Dunn	Knutson	Nichols	Sieloff	
Engler	Laufenburger	Olhoff	Sikorski	
Frederick	Lessard	Olson	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 314: A bill for an act relating to Olmsted county; authorizing electronic recording of trial proceedings; providing for costs and payment.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 38 and nays 13, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kirchner	Nelson	Sillers
Ashbach	Engler	Lewis	Olhoff	Spear
Bang	Gearly	Luther	Olson	Stokowski
Benedict	Gunderson	McCutcheon	Pillsbury	Stumpf
Brataas	Hanson	Menning	Purfeerst	Tennessee
Chenoweth	Hughes	Merriam	Renneke	Ueland, A.
Chmielewski	Johnson	Milton	Schaaf	
Davies	Keefe, S.	Moe	Schmitz	

Those who voted in the negative were:

Dieterich	Knutson	Schrom	Sikorski	Vega
Frederick	Lessard	Setzpfandt	Strand	
Keefe, J.	Penny	Sieloff	Ulland, J.	

So the bill passed and its title was agreed to.

H. F. No. 297: A bill for an act relating to group health care plans; requiring written notice to employees before certain employee health care plans may be terminated; amending Minnesota Statutes 1976, Section 62E.16.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Olson	Spear
Ashbach	Frederick	Laufenburger	Penny	Staples
Bang	Gearty	Lessard	Pillsbury	Stokowski
Benedict	Gunderson	Lewis	Renneke	Strand
Brataas	Hanson	Luther	Schaaf	Stumpf
Chenoweth	Hughes	McCutcheon	Schmitz	Tennessee
Chmielewski	Jensen	Menning	Schrom	Ueland, A.
Coleman	Johnson	Merriam	Setzepfandt	Ueland, J.
Davies	Keefe, J.	Moe	Sieloff	Vega
Dieterich	Keefe, S.	Nelson	Sikorski	Wegener
Dunn	Kirchner	Olhoft	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 676: A bill for an act relating to intoxicating liquor; civil liability for illegal sale, barter or gift thereof; amending Minnesota Statutes 1976, Sections 340.95 and 340.951.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 7, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Penny	Sillers
Ashbach	Frederick	Laufenburger	Pillsbury	Spear
Bang	Gunderson	Lessard	Purfeerst	Staples
Benedict	Hughes	Lewis	Renneke	Stokowski
Brataas	Jensen	McCutcheon	Schaaf	Strand
Chenoweth	Johnson	Menning	Schmitz	Stumpf
Chmielewski	Keefe, J.	Moe	Schrom	Ueland, A.
Coleman	Keefe, S.	Nelson	Setzepfandt	Ueland, J.
Dieterich	Kirchner	Ogdahl	Sieloff	Vega
Dunn	Kleinbaum	Olson	Sikorski	Wegener

Those who voted in the negative were:

Davies	Hanson	Merriam	Olhoft	Tennessee
Gearty	Luther			

So the bill passed and its title was agreed to.

H. F. No. 971: A bill for an act relating to insurance; providing financial requirements for nonprofit health service plan corporations; amending Minnesota Statutes 1976, Section 62C.09, Subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Olson	Sillers
Ashbach	Frederick	Laufenburger	Penny	Spear
Bang	Gearty	Lessard	Pillsbury	Staples
Benedict	Gunderson	Luther	Purfeerst	Stokowski
Brataas	Hanson	McCutcheon	Renneke	Strand
Chenoweth	Hughes	Menning	Schaaf	Stumpf
Chmielewski	Jensen	Merriam	Schmitz	Tennessee
Coleman	Johnson	Moe	Schrom	Ueland, A.
Davies	Keefe, S.	Nelson	Setzepfandt	Ulland, J.
Dieterich	Kirchner	Ogdahl	Sieloff	Vega
Dunn	Kleinbaum	Olhoft	Sikorski	Wegener

So the bill passed and its title was agreed to.

H. F. No. 1054: A bill for an act relating to welfare; aid to families with dependent children; changing certain eligibility qualifications; amending Minnesota Statutes 1976, Sections 256.73, Subdivisions 1, 2, 4, and by adding subdivisions; and 256.79.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Knutson	Penny	Spear
Bang	Gearty	Laufenburger	Pillsbury	Stokowski
Benedict	Gunderson	Lessard	Purfeerst	Strand
Brataas	Hanson	Luther	Renneke	Stumpf
Chenoweth	Hughes	Menning	Schaaf	Tennessee
Chmielewski	Jensen	Merriam	Schmitz	Ueland, A.
Coleman	Johnson	Moe	Schrom	Ulland, J.
Davies	Keefe, S.	Nelson	Setzepfandt	Vega
Dieterich	Kirchner	Ogdahl	Sieloff	Wegener
Dunn	Kleinbaum	Olhoft	Sikorski	
Engler	Knoll	Olson	Sillers	

So the bill passed and its title was agreed to.

Pursuant to Rule 21, Mr. Wegener moved that the following members be excused for a Conference Committee on S. F. No. 875:

Messrs. Wegener, Humphrey and Mrs. Staples. The motion prevailed.

H. F. No. 902: A bill for an act relating to state finance; authorizing payments pursuant to grievance resolutions; amending Minnesota Statutes 1976, Section 16A.17, Subdivision 7.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Brataas	Chmielewski	Davies	Dunn
Benedict	Chenoweth	Coleman	Dieterich	Engler

Frederick	Kirchner	Merriam	Renneke	Stokowski
Gearty	Kleinbaum	Moe	Schaaf	Strand
Gunderson	Knoll	Nelson	Schmitz	Stumpf
Hanson	Knutson	Ogdahl	Schrom	Tennessee
Hughes	Laufenburger	Olhoff	Setzepfandt	Ueland, A.
Jensen	Lessard	Olson	Sieloff	Ulland, J.
Johnson	Luther	Penny	Sikorski	Vega
Keefe, J.	McCutcheon	Pillsbury	Sillers	
Keefe, S.	Menning	Purfeerst	Spear	

So the bill passed and its title was agreed to.

H. F. No. 1259: A bill for an act relating to the city of Savage; firefighter's service pensions.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Kleinbaum	Ogdahl	Sikorski
Ashbach	Frederick	Knoll	Olhoff	Sillers
Bang	Gearty	Knutson	Penny	Spear
Benedict	Gunderson	Laufenburger	Pillsbury	Stokowski
Brataas	Hanson	Lessard	Purfeerst	Strand
Chenoweth	Hughes	Luther	Renneke	Stumpf
Chmielewski	Jensen	McCutcheon	Schaaf	Tennessee
Coleman	Johnson	Menning	Schmitz	Ueland, A.
Davies	Keefe, J.	Merriam	Schrom	Ulland, J.
Dieterich	Keefe, S.	Moe	Setzepfandt	Vega
Dunn	Kirchner	Nelson	Sieloff	

So the bill passed and its title was agreed to.

H. F. No. 1223: A bill for an act relating to administrative procedures; providing for notice and hearing in various administrative decisions; amending Minnesota Statutes 1976, Sections 10A.20, Subdivision 10; 17A.06, Subdivisions 2 and 3; 27.06; 53.03, Subdivisions 1, 2 and 3; 144.802; 155.11, Subdivisions 1 and 2; 216A.05, Subdivision 5; 218.041, Subdivision 3; and 219.741; repealing Minnesota Statutes 1976, Section 53.03, Subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Kleinbaum	Olhoff	Sikorski
Ashbach	Frederick	Knoll	Olson	Sillers
Bang	Gearty	Laufenburger	Penny	Spear
Benedict	Gunderson	Lessard	Pillsbury	Stokowski
Brataas	Hanson	Lewis	Purfeerst	Strand
Chenoweth	Hughes	Luther	Renneke	Stumpf
Chmielewski	Jensen	McCutcheon	Schaaf	Tennessee
Coleman	Johnson	Menning	Schmitz	Ueland, A.
Davies	Keefe, J.	Moe	Schrom	Ulland, J.
Dieterich	Keefe, S.	Nelson	Setzepfandt	Vega
Dunn	Kirchner	Ogdahl	Sieloff	

Mr. Knutson voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 460: A bill for an act relating to retirement; adjustment in annuities through the adjustable fixed benefit fund; amending Minnesota Statutes 1976, Section 11.25, Subdivisions 3, 12 and 13.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearly	Knutson	Olhoff	Sikorski
Ashbach	Gunderson	Laufenburger	Olson	Sillers
Bang	Hanson	Lessard	Penny	Spear
Benedict	Hughes	Lewis	Pillsbury	Stokowski
Brataas	Jensen	Luther	Purfeerst	Strand
Chenoweth	Johnson	McCutcheon	Renneke	Stumpf
Chmielewski	Keefe, J.	Menning	Schaaf	Tennessee
Coleman	Keefe, S.	Merriam	Schmitz	Ueland, A.
Davies	Kirchner	Moe	Schrom	Ulland, J.
Dieterich	Kleinbaum	Nelson	Setzpfandt	Vega
Engler	Knoll	Ogdahl	Sieloff	

So the bill passed and its title was agreed to.

H. F. No. 106: A bill for an act relating to the city of St. Cloud; firemen's widows benefits; amending Laws 1974, Chapter 382, Section 5, Subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Ogdahl	Sillers
Ashbach	Gearly	Knutson	Olhoff	Spear
Bang	Gunderson	Laufenburger	Penny	Stokowski
Benedict	Hanson	Lessard	Pillsbury	Strand
Brataas	Hughes	Lewis	Purfeerst	Stumpf
Chenoweth	Jensen	Luther	Renneke	Tennessee
Chmielewski	Johnson	McCutcheon	Schaaf	Ueland, A.
Coleman	Keefe, J.	Menning	Schmitz	Ulland, J.
Davies	Keefe, S.	Merriam	Setzpfandt	Vega
Dieterich	Kirchner	Moe	Sieloff	
Engler	Kleinbaum	Nelson	Sikorski	

So the bill passed and its title was agreed to.

H. F. No. 315: A bill for an act relating to state government; state zoological board; providing for a member designated by the Dakota county board; amending Minnesota Statutes 1976, Section 85A.01, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 14, as follows:

Those who voted in the affirmative were:

Benedict	Hanson	Lessard	Purfeerst	Strand
Brataas	Johnson	Lewis	Renneke	Stumpf
Chenoweth	Keefe, J.	Luther	Schaaf	Ueland, A.
Chmielewski	Keefe, S.	McCutcheon	Schmitz	Ulland, J.
Dieterich	Kirchner	Menning	Setzepfandt	Vega
Engler	Kleinbaum	Nelson	Sikorski	
Frederick	Knoll	Olhoft	Sillers	
Gearty	Knutson	Olson	Spear	
Gunderson	Laufenburger	Penny	Stokowski	

Those who voted in the negative were:

Anderson	Coleman	Jensen	Ogdahl	Sieloff
Ashbach	Davies	Merriam	Pillsbury	Tennessee
Bang	Hughes	Moe	Schrom	

So the bill passed and its title was agreed to.

H. F. No. 536: A bill for an act relating to civil service; providing that promotion and place of service are separate considerations; amending Minnesota Statutes 1976, Section 43.19, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knoll	Olhoft	Sikorski
Ashbach	Gearty	Knutson	Olson	Sillers
Bang	Gunderson	Laufenburger	Penny	Spear
Benedict	Hanson	Lessard	Pillsbury	Stokowski
Brataas	Hughes	Lewis	Purfeerst	Strand
Chenoweth	Jensen	Luther	Renneke	Stumpf
Chmielewski	Johnson	McCutcheon	Schaaf	Tennessee
Coleman	Keefe, J.	Menning	Schmitz	Ueland, A.
Davies	Keefe, S.	Moe	Schrom	Ulland, J.
Dieterich	Kirchner	Nelson	Setzepfandt	Vega
Engler	Kleinbaum	Ogdahl	Sieloff	

So the bill passed and its title was agreed to.

H. F. No. 993: A bill for an act relating to taxation; providing an alternative tax on liquor in metric containers; authorizing commissioner of revenue to order metric conversion; increasing bonding requirements; defining certain responsibilities of commissioners of public safety and revenue; amending Minnesota Statutes 1976, Sections 299A.02, Subdivision 1; 340.44; 340.47, by adding subdivisions; 340.485, Subdivisions 1 and 2; 340.51; 340.54, Subdivision 1; and 340.55.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Sikorski
Ashbach	Gearty	Laufenburger	Penny	Sillers
Bang	Hanson	Lessard	Perpich	Spear
Benedict	Hughes	Lewis	Pillsbury	Stokowski
Brataas	Jensen	Luther	Purfeerst	Strand
Chenoweth	Johnson	McCutcheon	Renneke	Stumpf
Chmielewski	Keefe, J.	Menning	Schaaf	Tennessee
Coleman	Keefe, S.	Moe	Schmitz	Ueland, A.
Davies	Kirchner	Nelson	Schrom	Ulland, J.
Dieterich	Kleinbaum	Ogdahl	Setzepfandt	Vega
Engler	Knoll	Olhoft	Sieloff	

Mr. Gunderson voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 1155: A bill for an act relating to the revisor of statutes; providing for engrossing and enrolling duties; clarifying disclosure of bill drafting records; amending Minnesota Statutes 1976, Sections 482.09; and 482.12, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olhoft	Sieloff
Ashbach	Gearty	Laufenburger	Olson	Sikorski
Bang	Gunderson	Lessard	Penny	Sillers
Benedict	Hanson	Lewis	Perpich	Spear
Brataas	Hughes	Luther	Pillsbury	Stokowski
Chenoweth	Jensen	McCutcheon	Purfeerst	Strand
Chmielewski	Johnson	Menning	Renneke	Stumpf
Coleman	Keefe, J.	Milton	Schaaf	Tennessee
Davies	Keefe, S.	Moe	Schmitz	Ueland, A.
Dieterich	Kirchner	Nelson	Schrom	Ulland, J.
Engler	Knoll	Ogdahl	Setzepfandt	Vega

So the bill passed and its title was agreed to.

H. F. No. 1113: A bill for an act relating to welfare; clarifying the powers of guardianship by the commissioner; amending Minnesota Statutes 1976, Sections 252A.02, Subdivision 2; 252A.03, Subdivision 3; 252A.04, Subdivision 3; 252A.07, Subdivision 1; and 252A.18; repealing Minnesota Statutes 1976, Section 252.03.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Olson	Sikorski
Ashbach	Gunderson	Lessard	Penny	Sillers
Bang	Hanson	Lewis	Perpich	Spear
Benedict	Hughes	Luther	Pillsbury	Stokowski
Chenoweth	Jensen	McCutcheon	Purfeerst	Strand
Chmielewski	Johnson	Menning	Renneke	Stumpf
Coleman	Keefe, J.	Milton	Schaaf	Tennessee
Davies	Keefe, S.	Moe	Schmitz	Ueland, A.
Dieterich	Kirchner	Nelson	Schrom	Ulland, J.
Engler	Knoll	Ogdahl	Setzpfandt	Vega
Frederick	Knutson	Olhoff	Sieloff	

So the bill passed and its title was agreed to.

H. F. No. 411: A bill for an act relating to the city of Columbia Heights police department relief association; membership therein; benefits and contributions; membership of certain police personnel in the public employees' police and fire fund.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olhoff	Sieloff
Ashbach	Gearty	Laufenburger	Olson	Sikorski
Bang	Gunderson	Lessard	Penny	Sillers
Benedict	Hanson	Lewis	Perpich	Spear
Brataas	Hughes	Luther	Pillsbury	Stokowski
Chenoweth	Jensen	McCutcheon	Purfeerst	Strand
Chmielewski	Johnson	Menning	Renneke	Stumpf
Coleman	Keefe, J.	Merriam	Schaaf	Ueland, A.
Dieterich	Keefe, S.	Moe	Schmitz	Ulland, J.
Dunn	Kirchner	Nelson	Schrom	Vega
Engler	Knoll	Ogdahl	Setzpfandt	

So the bill passed and its title was agreed to.

H. F. No. 585: A bill for an act relating to taxation; altering definitions of "income" for senior citizen's property tax freeze purposes; "taxes", "alimony" and "investment company" for income tax purposes; allowing commissioner of revenue to disregard small amounts due or penalties and to require withholding of delinquent taxes by employees; providing for tax lien on personal property; amending Minnesota Statutes 1976, Sections 273.012, Subdivision 3; 290.06, Subdivision 2c; 290.09, Subdivisions 4 and 14; 290.21, Subdivision 3; 290.36; 290.54; 290.92, by adding a subdivision; 290.934, Subdivision 5; and 290A.06.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Laufenburger	Penny	Spear
Bang	Gearty	Lessard	Perpich	Stokowski
Benedict	Gunderson	Lewis	Pillsbury	Strand
Brataas	Hanson	Luther	Purfeerst	Stumpf
Chenoweth	Hughes	McCutcheon	Renneke	Tennessee
Chmielewski	Jensen	Menning	Schaaf	Ueland, A.
Coleman	Johnson	Moe	Schmitz	Ulland, J.
Davies	Keefe, J.	Nelson	Schrom	Vega
Dieterich	Keefe, S.	Ogdahl	Setzpfandt	
Dunn	Kirchner	Olhoff	Sieloff	
Engler	Knoll	Olson	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 491: A bill for an act relating to retirement; police pensions in the city of Crookston.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 57 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Penny	Spear
Ashbach	Gearty	Lessard	Perpich	Staples
Bang	Gunderson	Lewis	Pillsbury	Stokowski
Benedict	Hanson	Luther	Purfeerst	Strand
Brataas	Hughes	McCutcheon	Renneke	Stumpf
Chenoweth	Jensen	Menning	Schaaf	Tennessee
Chmielewski	Johnson	Merriam	Schmitz	Ueland, A.
Coleman	Keefe, J.	Moe	Schrom	Ulland, J.
Davies	Keefe, S.	Nelson	Setzpfandt	Vega
Dieterich	Kirchner	Ogdahl	Sieloff	
Dunn	Knoll	Olhoff	Sikorski	
Engler	Knutson	Olson	Sillers	

So the bill passed and its title was agreed to.

H. F. No. 1187: A bill for an act relating to retirement; membership of Hennepin soil and water conservation district employees in the public employees retirement association; amending Minnesota Statutes 1976, Chapter 353, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Jensen	Lessard	Ogdahl
Ashbach	Dieterich	Johnson	Lewis	Olhoff
Bang	Engler	Keefe, J.	Luther	Olson
Benedict	Frederick	Keefe, S.	McCutcheon	Penny
Brataas	Gearty	Kirchner	Menning	Perpich
Chenoweth	Gunderson	Knoll	Merriam	Pillsbury
Chmielewski	Hanson	Knutson	Moe	Purfeerst
Coleman	Hughes	Laufenburger	Nelson	Renneke

Schaaf	Setzepfandt	Sillers	Stokowski	Ueland, A.
Schmitz	Sieloff	Spear	Strand	Ulland, J.
Schrom	Sikorski	Staples	Stumpf	Vega

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Sieloff moved that S. F. No. 558 be taken from the table. The motion prevailed.

S. F. No. 558: A bill for an act relating to game and fish; authorizing the trapping of the great horned owl in certain instances; amending Minnesota Statutes 1976, Section 100.29, Subdivision 32.

CONCURRENCE AND REPASSAGE

Mr. Sieloff moved that the Senate concur in the amendments by the House to S. F. No. 558 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 558 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 35 and nays 22, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Kirchner	Olson	Stokowski
Ashbach	Gearty	Knutson	Penny	Strand
Bang	Gunderson	Laufenburger	Pillsbury	Tennessee
Brataas	Hanson	Lessard	Renneke	Ueland, A.
Chmielewski	Jensen	Menning	Setzepfandt	Ulland, J.
Dieterich	Johnson	Moe	Sieloff	Vega
Engler	Keefe, J.	Ogdahl	Sillers	Wegener

Those who voted in the negative were:

Benedict	Knoll	Milton	Schaaf	Staples
Chenoweth	Lewis	Nelson	Schmitz	Stumpf
Davies	Luther	Olhoft	Schrom	
Hughes	McCutcheon	Perpich	Sikorski	
Keefe, S.	Merriam	Purfeerst	Spear	

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

Pursuant to Rule 21, Mr. Merriam moved that the following members be excused for a Conference Committee on S. F. No. 896:

Messrs. Merriam, Dunn, Anderson, Olhoft and Luther. The motion prevailed.

Pursuant to Rule 21, Mr. Moe moved that the following members be excused for a Conference Committee on S. F. No. 1416:

Messrs. Lewis, Kirchner, Milton, Moe and Perpich. The motion prevailed.

Pursuant to Rule 21, Mr. Olhoft moved that the following members be excused for a Conference Committee on H. F. No. 437:

Messrs. Olhoff, Sillers and Peterson. The motion prevailed.

SPECIAL ORDER

H. F. No. 1004: A bill for an act relating to worker's compensation; limiting expenses and profit includable in workers' compensation insurance premium; permitting the commissioner of insurance to employ an actuary; including legislators in coverage; requiring owners to elect non-coverage; excluding certain family corporations and certain nonprofit associations from coverage; increasing benefit levels; vesting certain benefits; excluding certain employment; regulating attorney's fees; providing for depending surviving spouses; providing for supplemental benefits; altering notice requirements; providing for the distribution of physician's reports; providing for adjustments to benefit payments; creating a workers' compensation study commission; appropriating money; amending Minnesota Statutes 1976, Sections 79.07; 79.30; 176.011, Subdivisions 9 and 11a; 176.012; 176.021, Subdivision 3; 176.041, Subdivision 1; 176.051; 176.081, Subdivisions 1, 2, 3, 4, and 6; 176.101; 176.111, Subdivisions 6, 11 and 21; 176.132, Subdivisions 1, 2, and 3; 176.141; 176.155, Subdivision 1; 176.221, by adding a subdivision; 176.511, Subdivision 3; 176.645; and Chapter 79 by adding a section; repealing Minnesota Statutes 1976, Sections 176.111, Subdivision 13; and 176.185, Subdivision 8.

Mr. Keefe, S. moved to strike the amendment placed on H. F. No. 1004 by the Committee on Finance, adopted by the Senate May 16, 1977, and amend H. F. No. 1004 as follows:

Page 6, line 17, after "employee" insert "*and employer*"

Page 7, line 13, strike "*such*" and insert "*the*"

Page 7, line 14, strike "*such*" and insert "*the*"

Page 11, line 1, strike "the department of"

Page 11, line 15, strike "of the department"

Page 11, line 19, strike "deputy" and insert "*commissioner*"

Page 11, line 24, strike "of the department"

Page 11, line 32, strike "of the department"

Page 12, line 7, strike "of the department"

Page 25, line 1, strike "*such*" and insert "*the*"

Page 32, line 9, strike "*and*,"

Page 32, line 11, strike the period and insert "; *and*"

Page 32, after line 11, insert:

"(d) the administration of the law by the department of labor and industry and workers' compensation court of appeals."

Page 33, line 18, strike the comma after "3" and insert "*and*"

Page 33, line 18, strike ", *and 21*"

Page 33, line 22, strike "*the day*" and insert "*June 30, 1979.*"

Page 33, strike lines 23 to 25

The motion prevailed. So the amendment was adopted.

Mr. Keefe, S. then moved to amend H. F. No. 1004 as follows:

Page 9, line 30, strike "*operation*" and insert "*operator*"

The motion prevailed. So the amendment was adopted.

Mr. Davies moved to amend H. F. No. 1004 as follows:

Pages 30 and 31, strike section 25

Page 33, line 22, strike "*Section 25 shall be effective the day*"

Page 33, strike lines 23 to 25

Renumber the sections in sequence

Amend the title as follows:

Line 2, strike "*limiting*"

Strike line 3

Line 4, strike "*compensation insurance premiums;*"

Line 19, strike "*79.07;*"

CALL OF THE SENATE

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

Ashbach	Frederick	Kleinbaum	Penny	Staples
Bang	Gunderson	Knoll	Perpich	Strand
Benedict	Hanson	Laufenburger	Pillsbury	Stumpf
Bernhagen	Hughes	Lessard	Purfeerst	Tennesen
Coleman	Jensen	Menning	Renneke	Vega
Davies	Johnson	Milton	Schrom	
Dieterich	Keefe, S.	Nelson	Setzepfandt	
Engler	Kirchner	Ogdahl	Sieloff	

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

The question recurred on the Davies amendment.

Mr. Keefe, S. moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 30 and nays 31, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kleinbaum	Penny	Sieloff
Bang	Frederick	Knoll	Pillsbury	Solon
Bernhagen	Gunderson	Knutson	Renneke	Tennesen
Brataas	Jensen	Laufenburger	Schaaf	Ueland, A.
Davies	Keefe, J.	Lewis	Schmitz	Ulland, J.
Dunn	Kirchner	Ogdahl	Schrom	Wegener

Those who voted in the negative were:

Anderson	Hughes	Merriam	Purfeerst	Stumpf
Benedict	Humphrey	Milton	Setzepfandt	Vega
Borden	Johnson	Moe	Sikorski	Willet
Coleman	Keefe, S.	Nelson	Spear	
Dieterich	Luther	Nichols	Staples	
Gearty	McCutcheon	Olson	Stokowski	
Hanson	Menning	Perpich	Strand	

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

Mr. Ashbach moved to amend H. F. No. 1004 as follows:

Page 1, after line 31, insert:

"Section 1. Minnesota Statutes 1976, Section 175.006, Subdivision 1, is amended to read:

175.006 [DIVISION OF WORKER'S COMPENSATION.] Subdivision 1. [CREATION AND ORGANIZATION.] The division of worker's compensation, generally administering the worker's compensation law, is created within the department of labor and industry. There is created as a separate appellate tribunal for worker's compensation, the worker's compensation court of appeals.

The worker's compensation court of appeals shall be composed of three judges learned in the law, each serving in the unclassified service of the state civil service. Each judge of the worker's compensation court of appeals shall be appointed by the governor, by and with the advice and consent of the senate, for a term of six years. *At least one of the members of the court of appeals shall be appointed upon the recommendation of labor and at least one member shall be appointed upon the recommendation of industry.* The judges of the worker's compensation court of appeals as now created shall be the judges of the worker's compensation court of appeals until the expiration of the terms for which they have been appointed and qualified."

Page 33, line 18, strike "3, 6, and 21" and insert "4, 7, and 22"

Page 33, line 19, strike "12" and insert "13"

Page 33, line 21, strike "23" and insert "24"

Page 33, line 22, strike "25" and insert "26"

Re-number the sections in sequence

Amend the title as follows:

Line 2, after the semicolon, insert "provisions for membership on court of appeals;"

Line 19, after "79.30;" insert "175.006, Subdivision 1;"

The question was taken on the adoption of the amendment.

Mr. Ashbach moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 20 and nays 30, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knutson	Purfeerst	Setzepfandt
Bang	Frederick	Menning	Renneke	Sieloff
Bernhagen	Jensen	Olson	Schmitz	Ueland, A.
Brataas	Kirchner	Pillsbury	Schrom	Ulland, J.

Those who voted in the negative were:

Benedict	Gunderson	Laufenburger	Nichols	Staples
Borden	Hanson	Lessard	Penny	Stumpf
Coleman	Hughes	Lewis	Perpich	Tennessee
Davies	Keefe, S.	Milton	Schaaf	Vega
Dieterich	Kleinbaum	Moe	Sikorski	Wegener
Gearty	Knoll	Nelson	Spear	Willet

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

H. F. No. 1004 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 34 and nays 22, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Lewis	Olson	Staples
Benedict	Hughes	Luther	Perpich	Stokowski
Borden	Humphrey	Merriam	Peterson	Stumpf
Coleman	Keefe, S.	Milton	Purfeerst	Tennessee
Davies	Kleinbaum	Moe	Sikorski	Vega
Dieterich	Knoll	Nelson	Solon	Willet
Gearty	Laufenburger	Nichols	Spear	

Those who voted in the negative were:

Ashbach	Engler	Knutson	Renneke	Ueland, A.
Bang	Frederick	Lessard	Schmitz	Wegener
Bernhagen	Gunderson	Menning	Schrom	
Brataas	Jensen	Penny	Sieloff	
Dunn	Kirchner	Pillsbury	Strand	

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

Pursuant to Rule 21, Mr. Stokowski moved that the following members be excused for a Conference Committee on S. F. No. 181:

Messrs. Stokowski, Ogdahl and Strand. The motion prevailed.

SPECIAL ORDER

S. F. No. 743: A bill for an act relating to health; establishing a health program for pre-school children; providing for payments to school districts; appropriating money.

Mr. Milton moved to amend S. F. No. 743 as follows:

Page 2, line 20, strike "EPS" and insert "early and periodic screening"

The motion prevailed. So the amendment was adopted.

CALL OF THE SENATE

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

Bang	Gearty	Knoll	Olhoff	Spear
Bernhagen	Gunderson	Knutson	Penny	Staples
Borden	Hanson	Laufenburger	Purfeerst	Stumpf
Davies	Humphrey	Lessard	Schmitz	Tennessee
Dieterich	Jensen	Merriam	Schrom	Ueland, A.
Dunn	Keefe, S.	Milton	Setzepfandt	Ulland, J.
Engler	Kirchner	Moe	Sieloff	Vega
Frederick	Kleinbaum	Nelson	Sikorski	Wegener

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

S. F. No. 743 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 45 and nays 4, as follows:

Those who voted in the affirmative were:

Bang	Humphrey	Luther	Perpich	Spear
Bernhagen	Keefe, J.	Menning	Pillsbury	Staples
Borden	Keefe, S.	Milton	Purfeerst	Stokowski
Davies	Kirchner	Moe	Schaa	Strand
Dunn	Kleinbaum	Nelson	Schmitz	Stumpf
Frederick	Knoll	Nichols	Setzepfandt	Tennessee
Gearty	Laufenburger	Olhoff	Sieloff	Ulland, J.
Gunderson	Lessard	Olson	Sikorski	Vega
Hanson	Lewis	Penny	Solon	Willet

Mrs. Brataas, Messrs. Knutson, Schrom and Ueland, A. voted in the negative.

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Borden 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. Borden moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred

S. F. Nos. 80, 1521, 669, 883, 227, 691, 1360, 455, 1334, 675, 185, 202, 1395, 100, 703, 958, 1058, 1361, 599, 615 and 1486 and H. F. Nos. 1030, 1040, 351, 962, 967, 456 and 105 makes the following report:

That S. F. Nos. 1521, 669, 227, 1360, 1334, 675, 202, 1395, 958, 1058, 1361, 599 and 1486 and H. F. Nos. 1030, 1040, 351, 962, 967, 456 and 105 be placed on the General Orders Calendar, in the order indicated.

That S. F. Nos. 80, 883, 691, 455, 185, 100, 703 and 615 are being retained in the subcommittee.

That there were no other bills before the subcommittee on which floor action was requested. Report adopted.

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

H. F. No. 522 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
522		669			

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 522 be amended as follows:

Page 1, after line 30, insert

"Subd. 2a. "City" means a home rule charter or statutory city."

Page 2, lines 1 and 2, delete the new language

Page 2, line 6, delete the new language and insert *"or town meeting the requirements of Minnesota Statutes, Section"*

Page 2, line 7, delete *"and"* and insert *"or"*

Page 2, lines 17 and 18, delete *"," livestock"*

Page 2, line 25, delete *"MODIFICATIONS;"*

Page 2, line 26, strike *"Effective July 1, 1972,"*

Page 3, lines 6 and 7, delete *"by section 326.244"*

Page 3, delete lines 8 and 9

Page 3, line 10, delete *"buildings"* and insert *"326.244"*

Page 3, line 11, after *"but"* insert *"in no event"* and delete *"1979"* and insert *"1978"*

Page 3, line 13, delete *"all"* and insert *"new"*

Page 3, line 14, delete *"has adopted or"*

Page 3, line 15, after the comma insert *"or determines by ordinance thereafter to undertake enforcement,"*

Page 3, line 16, delete *"in"* and after *"city"* insert a period

Page 13, delete lines 17 to 22 and insert

"A city may by ordinance extend the enforcement of the code to contiguous unincorporated territory not more than two miles distant from its corporate limits in any direction; provided that where two or more non-contiguous cities which have elected to

enforce the code have boundaries less than four miles apart, each is authorized to enforce the code on its side of a line equidistant between them. Once enforcement authority is extended extra-territorially by ordinance, the authority may continue to be exercised in the designated territory even through another city less than four miles distant later elects to enforce the code. Any city may thereafter enforce the code in the designated area to the same extent as if such property were situated within its corporate limits. A city which, on the effective date of this act, has not adopted the code may not commence enforcement of the code within or outside of its jurisdiction until it has provided written notice to the commissioner, the county auditor, and the town clerk of each town in which it intends to enforce the code. A public hearing on the proposed enforcement must be held not less than 30 days after the notice has been provided. Enforcement of the code by the city will commence on the first day of January in the year following the notice and hearing. Municipalities may provide for the issuance of permits, inspection and enforcement within their jurisdictions by such means as may be convenient, and lawful, including by means of contracts with other municipalities pursuant to section 471.59, and with qualified individuals. In areas outside of the enforcement authority of a city, the fee charged for the issuance of permits and inspections for single family dwellings may not exceed the greater of \$100 or .005 times the value of the structure, addition or alteration. The other municipalities or qualified individuals may be reimbursed by retention or remission of some or all of the building permit fee collected or by other means. In areas of the state where inspection and enforcement is unavailable from qualified employees of municipalities, it shall be the responsibility of the commissioner to train and designate individuals available to carry out inspection and enforcement on a fee basis."

Page 3, line 24, before "is" insert "with enforcement responsibility"

Page 3, line 32, delete "In"

Page 4, delete lines 1 to 11 and insert

"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."

Page 4, line 26, delete "REPORT" and insert "TEMPORARY PROVISION" and delete "November 1, 1977" and insert "January 1, 1978"

Page 5, delete lines 7 to 27

Page 6, line 1, restore the stricken and delete the underscored language

Page 6, delete lines 2 and 3 and insert

"or any facility of 5,000 kilowatts or more which requires oil, natural gas, or natural gas liquids as a fuel and for which an installation permit has not been issued by the pollution control agency pursuant to Minn. Reg. APC 3(a) prior to July 1, 1977;"

Page 6, lines 6 to 9, delete the underscored language and insert

"; or, any high voltage transmission line with a capacity of 300 kilovolts with more than 25 miles of its length in Minnesota;

Page 6, line 18, delete "or" and insert a comma

Page 7, line 2, delete "disposal or storage" and insert "storage or disposal"

Page 8, delete lines 26 to 27

Page 8, line 28, delete "Subd. 2." and insert "Sec. 7."

Page 8, line 32, delete "the coal use" and insert "a coal" and delete "defined in this"

Page 9, line 1, delete "subdivision"

Page 9, line 3, delete "June 30" and insert "September 1" and delete everything after the period

Page 9, delete lines 4 to 21 and insert

"The study shall specify in five and ten year forecasts, the demand for coal in Minnesota by user type and location, estimate environmental impacts, examine transportation and handling system needs, discuss the potential for the use of coal gasification, and address the significant economic and institutional questions involved in bringing about a major shift in energy use from other fuels to coal."

Page 9, line 25, strike "of the"

Page 9, line 26, before "purchase" insert "and make recommendations concerning the"

Page 9, line 27, strike "automobiles" and insert "motor vehicles"

Page 9, line 30 to page 10, line 7, restore the stricken and delete the underscored language

Delete page 10, line 8 to page 11, line 21 and insert

"Sec. 9. Minnesota Statutes 1976, Section 116H.12, is amended by adding a subdivision to read:

Subd. 11. Beginning January 1, 1978, no new room air conditioner shall be sold, installed or transported for resale into Minnesota unless it has an energy efficiency ratio of 7.0 or higher for units of 6,000 British thermal units or greater; or 6.0 energy efficiency ratio for units of less than 6,000 British thermal units.

This subdivision shall not apply to air conditioners in Minnesota on January 1, 1978. No person may transport non-complying units into this state in excess of what he can reasonably anticipate selling prior to January 1, 1978.

Sec. 10. Minnesota Statutes 1976, Section 116H.12, is amended by adding a subdivision to read:

Subd. 12. Beginning January 1, 1979, no new residential forced air type central furnace, cooking or clothes drying equipment designed to burn natural gas, which also uses electrical energy, shall be sold or installed in Minnesota without a means, other than a continuously burning pilot, for automatic ignition."

Page 12, line 7, after "standards" insert "for new buildings"

Page 12, line 19, delete "intended to be"

Page 12, line 20, delete "three or more motor vehicles" and insert "automobiles"

Page 12, line 21, delete "However,"

Page 12, line 22, delete "such a" and insert "a parking"

Page 12, line 24, delete "such" and insert "the"

Delete page 12, line 25 to page 13, line 20

Page 14, lines 14 and 15, delete the underscored language

Delete page 14, line 17 to page 15, line 14

Page 15, line 19, delete "new"

Page 15, line 21, delete "application for siting" and insert "construction of"

Page 15, line 22, delete the underscored language

Page 16, line 7, delete "state department of education" and insert "commissioner of education in consultation"

Page 16, line 8, delete "cooperation" and insert "director" and delete "and the environmental"

Page 16, line 9, delete "education board"

Delete page 16, line 19 to page 18, line 8 and insert

"Sec. 15. Minnesota Statutes 1976, 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 collector's 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 inventor's

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 *the standards, regulations rules* or criteria prescribed by the Minnesota Pollution Control Agency, and must be installed or operated in accordance with a permit or order issued by that agency. The Minnesota Pollution Control Agency shall upon request of the commissioner furnish information or advice to the commissioner. If the commissioner determines that property qualifies for exemption, he shall issue an order exempting such property from taxation. Any such equipment or device shall continue to be exempt from taxation as long as the permit issued by the Minnesota Pollution Control Agency remains in effect.

(16) The part of the value of real and personal property equipped with an energy supply or use system which includes a solar energy system as defined in section 116H.02, subdivision 11, 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. 16. Minnesota Statutes 1976, Section 290.06, Subdivision 9, is amended to read:

Subd. 9. (a) A credit of five percent of the net cost of equipment included in section 290.09, subdivision 7, paragraph (A), *clause (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, and a credit of ten percent of the net cost of a

solar collector subsystem, may be deducted from the tax due under this chapter in the first year in which the property is constructed or installed, or for which a depreciation deduction is allowed for the equipment. For the purpose of this subdivision "solar collector subsystem" shall mean the assembly for absorbing solar radiation, converting it into thermal energy, and transferring the thermal energy to a heat transfer medium. The credit allowed by this subdivision shall not exceed so much \$75,000 of the tax liability for tax for the that taxable year as does not exceed \$50,000. In the case of a solar collector subsystem, the credit shall apply only if the property meets or exceeds the standards promulgated pursuant to section 116H.127.

(b) If the amount of the credit determined under clause (a) for any taxable year for which a depreciation deduction is allowed exceeds the limitation provided by clause (a) for such the taxable year (hereinafter in , which for the purposes of this subdivision referred to shall be known as the "unused credit year"), such , the 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 four taxable years following the unused credit year.

The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the ten four taxable years to which , by reason of clauses (1) and (2)) such , the credit may be carried and then to each of the other nine three taxable years; provided, however, the maximum credit allowable in any one taxable year under this subdivision , including the credit allowable under clause (a) and the carryback or carryforward allowable under this paragraph) , shall in no event exceed \$50,000 \$75,000 .

(c) This subdivision shall apply to solar collector subsystems constructed or installed after December 31, 1976, and to other property acquired in taxable years beginning on or after January 1, 1969. The credits provided by this subdivision for the construction or installation of a solar collector subsystem shall expire for taxable years commencing after December 31, 1980.

Sec. 17. By December 31, 1977, the director of the energy agency, after consulting with the appropriate standing committees of the legislature, shall develop a comprehensive legislative proposal dealing with the legal, institutional, and financial issues surrounding solar energy use in Minnesota, including the creation and protection of sun rights, the modification of building codes, and the provision of reliable backup heating systems.

Sec. 18. The director of the energy agency in consultation with the director of the housing finance agency shall develop pamphlets and radio and television messages on the energy conservation and housing programs available in Minnesota. The pamphlets shall include information on available tax credits for residential energy

conservation measures, residential retrofitting loan and grant programs, and data on the economics of energy conservation measures.

Sec. 19. *The university of Minnesota, the departments of agricultural engineering, and agricultural and applied economics shall carry out a research and demonstration project to study the feasibility of developing an agriculturally derived ethyl alcohol supplement to be blended with diesel fuel so as to produce a liquid fit for use as a fuel in diesel engines used for agricultural purposes. In carrying out the project, the departments shall utilize to the fullest extent possible studies, data and reports of public agencies, private organizations and corporations, research institutes and other institutions of higher education. Before the project begins it shall be presented to the energy agency for review and comment.*

An interim report shall be provided by September 1, 1978, to the energy agency and the Minnesota department of agriculture for review and comment. The university shall then provide the legislature with a final report and recommendations by January 1, 1979.

The project report shall include, but is not limited to, results from field studies of demonstration projects, and a review of the technical feasibility, possible energy impacts, biomass options, economic feasibility, agricultural sources and policy recommendations. A review of the relevant literature and a glossary shall also be included.

Sec. 20. [APPROPRIATIONS.] *Subdivision 1. The sum of \$50,000 is appropriated from the general fund to the commissioner of administration for the purposes of sections 1 to 4 and 13 during the biennium beginning July 1, 1977.*

Subd. 2. The following sums are appropriated from the general fund for the purposes of section 7 during the biennium beginning July 1, 1977:

Minnesota Energy Agency	\$159,433
State Planning Agency	28,034
Pollution Control Agency	36,050
Department of Natural Resources	29,742
Department of Transportation	16,741

Subd. 3. The sum of \$25,000 is appropriated from the general fund to the department of education for the purposes of section 14 during the biennium beginning July 1, 1977.

Subd. 4. The sum of \$25,000 is appropriated from the general fund to the director of the energy agency for the purpose of section 17 during the fiscal year beginning July 1, 1977.

Subd. 5. The sum of \$225,000 is appropriated from the general fund to the director of the energy agency to be used for the purpose of section 18 during the biennium beginning July 1, 1977.

Subd. 6. The sum of \$50,000 is appropriated from the general

fund to the university of Minnesota for the purpose of section 19. This appropriation shall not lapse but shall be available for expenditure until January 1, 1979.

Sec. 21. Minnesota Statutes 1976, Sections 116H.12, Subdivision 10; 325.811; and 325.812 are repealed.

Sec. 22. This act is effective the day following its final enactment; except that section 2, subdivision 2, is effective July 1, 1978."

Renumber the sections in sequence

Further, strike the title and insert

"A bill for an act relating to energy; extending the application of the state building code to all cities and counties; clarifying state agency rulemaking regarding building code subject matter; further defining large energy facility; imposing duties on the director of the energy agency; requiring promulgation of certain energy conservation standards; revising certain requirements; requiring research on fuel supplements; exempting certain solar energy systems from property taxation; providing a ten percent credit against income tax for the cost of certain solar energy systems; appropriating funds; amending Minnesota Statutes 1976, Sections 16.84; 16.851; 16.86, Subdivision 4; 116H.02, Subdivision 5; 116H.07, Subdivision 1; 116H.12, Subdivision 5, and by adding subdivisions; 116H.121; 116H.126; 116H.13, Subdivision 4; 126.111; 272.02, Subdivision 1; and 290.06, Subdivision 9; repealing Minnesota Statutes 1976, Sections 116H.12, Subdivision 10; 325.811; and 325.812."

And when so amended, H. F. No. 522 will be identical to S. F. No. 669 and further recommends that H. F. No. 522 be given its second reading and substituted for S. F. No. 669 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. No. 522 was read the second time.

RECESS

Mr. Borden moved that the Senate do now recess until 8:15 o'clock p.m. The motion prevailed.

The hour of 8:15 o'clock p.m. having arrived, the President called the Senate to order.

MOTIONS AND RESOLUTIONS—CONTINUED

Pursuant to Rule 21, Mr. Coleman moved that the following members be excused for a Conference Committee on H. F. No. 1475:

Messrs. McCutcheon, Johnson, Peterson, Hanson and Stokowski. The motion prevailed.

Pursuant to Rule 21, Mr. Humphrey moved that the following members be excused for a Conference Committee on S. F. No. 1467:

Messrs. Humphrey, Borden, Willet, Solon and Dunn. The motion prevailed.

CALL OF THE SENATE

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

Ashbach	Kleinbaum	Milton	Schaaf	Strand
Benedict	Knoll	Moe	Schmitz	Stumpf
Coleman	Knutson	Nelson	Schrom	Tennessee
Davies	Laufenburger	Nichols	Setzepfandt	Ulland, J.
Gearty	Lessard	Olhoft	Sieloff	Vega
Gunderson	Lewis	Penny	Sikorski	Wegener
Keefe, S.	Luther	Pillsbury	Spear	
Kirchner	Menning	Purfeerst	Staples	

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

SPECIAL ORDER

H. F. No. 728: A bill for an act relating to corrections; prescribing powers of probation officers; providing for reimbursement to counties for probation services; prescribing duties of the commissioner for parole and probation; authorizing disposition of juvenile offenders; authorizing the sealing of criminal records; authorizing certain investigations; authorizing accounts of funds of inmates; clarifying powers of counties under and procedures for withdrawal from community corrections programs; amending Minnesota Statutes 1976, Sections 242.09; 242.10; 242.14; 242.18; 242.31; 242.46, Subdivision 3; 243.23; 260.311, Subdivision 5; 401.02, by adding subdivisions; 401.04; 401.08, Subdivision 1; 401.13; and 401.16; repealing Minnesota Statutes 1976, Sections 242.01; 242.02; 242.03; 242.12; 242.13; 242.15; 242.16; 242.17; 242.19, Subdivision 1; 242.25; 242.26; 242.27; 242.28; 242.29; 242.30; 242.33; 242.34; 242.35; 242.36; 242.38; and 242.46, Subdivisions 1 and 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 35 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Keefe, S.	Lewis	Purfeerst	Spear
Benedict	Kirchner	Luther	Schaaf	Staples
Brataas	Kleinbaum	Milton	Schmitz	Strand
Coleman	Knoll	Nelson	Schrom	Stumpf
Davies	Knutson	Nichols	Setzepfandt	Ulland, J.
Gearty	Laufenburger	Olhoft	Sieloff	Vega
Gunderson	Lessard	Penny	Sikorski	Wegener

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 223 a Special Order to be heard immediately:

H. F. No. 223: 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 1976, Section 297A.01, Subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 42 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Gunderson	Lessard	Penny	Spear
Benedict	Jensen	Lewis	Perpich	Staples
Bernhagen	Keefe, J.	Luther	Pillsbury	Strand
Brataas	Keefe, S.	Menning	Purfeerst	Stumpf
Coleman	Kirchner	Milton	Schmitz	Ueland, A.
Davies	Kleinbaum	Moe	Schrom	Ulland, J.
Engler	Knoll	Nelson	Setzepfandt	Vega
Frederick	Knutson	Nichols	Sieloff	Wegener
Gearty	Laufenburger	Olhoff	Sikorski	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 1489 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1489

A bill for an act relating to the organization and operation of state government; appropriating money for maintenance of various semi-state activities and for other purposes; amending Minnesota Statutes 1976, Sections 139.08, Subdivision 5; 139.10, by adding a subdivision; 343.08; 343.12; 346.216; Chapter 139, by adding sections; repealing Minnesota Statutes 1976, Sections 343.02; and 343.03.

May 11, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 1489, 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. 1489 be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. [SEMI-STATE ACTIVITIES; APPROPRIATIONS.] The sums set forth in the columns designated “APPROPRIATIONS” are appropriated from the general fund, or any other fund designated, to the agencies and for the purposes specified in the following sections of this act, to be available for the fiscal years indicated for each purpose. The figures “1977”, “1978”, and “1979”, wherever used in this act, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1977, June 30, 1978, or June 30, 1979, respectively.

APPROPRIATIONS
Available for the Year
Ending June 30,
1978 1979

Sec. 2. GENERAL GOVERNMENT

Subdivision 1. Great Lakes Commission

31,500

The governor shall review the functions of this agency and shall, using the procedures of Minnesota Statutes, Section 3.30, determine whether this agency should be funded for the second year of the biennium. There is appropriated to the general contingent account the sum of \$31,500 which may be utilized for the second year of the biennium.

Subd. 2. Minnesota-Wisconsin Boundary Area Commission

46,300

The amount expended shall not exceed the amount provided for the commission by the state of Wisconsin.

Of this appropriation, \$3,800 is money that was previously appropriated to assess recreational watercraft traffic on the lower St. Croix river, but was not spent.

The governor shall review the functions of this agency and shall, using the procedures of Minnesota Statutes, Section 3.30, determine whether this agency should be funded for the second year of the biennium. There is appropriated to the general contingent account the sum of \$46,000 which may be utilized for the second year of the biennium.

Subd. 3. Uniform Laws Commission

11,000

11,000

	1978	1979
	\$	\$
Sec. 3. STATE HORTICULTURAL SOCIETY		
For maintenance	40,000	40,000

Sec. 4. EDUCATION, LIBRARIES, MUSEUMS AND RECREATION

Subdivision 1. Minnesota Historical Society

(a) General Operations and Management	2,618,333	2,579,953
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This appropriation includes money for a seven-day-a-week tour program in the capitol and historical buildings. The historical building shall remain open for public use on Saturdays and, if necessary, adjustments in the remainder of the week day 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.

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

The Minnesota historical society shall report by January 1 of each year to the governor, the commissioners of finance and administration, and the legislature the amount and purpose for which state money was expended for each fiscal year of the biennium.

\$62,500 each year is for the science museum of Minnesota. This appropriation shall be expended according to the provisions of Minnesota Statutes, Section 138.035.

\$45,000 each year is for the government learning center.

\$50,000 each year is for the center for Minnesota Folklife.

(b) Historic Site Operations	3,737,934	2,010,804
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(1) \$300,000 the first year is to identify significant historic sites on a state-

1978

1979

\$

\$

wide basis and formulate a plan for their preservation. The plan shall be presented to the governor and the legislature by January 1, 1979.

(2) \$1,450,000 the first year is for interpretive center development, to be expended in accordance with the historic interpretation program plan prepared by the society. This appropriation may also be used for matching grants to localities to plan and construct interpretive centers, provided they can demonstrate their ability to operate and maintain the centers.

Any unencumbered balance remaining in (1) or (2) the first year shall not cancel but is available for the second year of the biennium.

(3) \$500,000 each year is for historic site grants to encourage local historic preservation projects. To be eligible for a grant, a county or local project group must provide a 50 percent match, in accordance with the historical society's guidelines.

(c) Sibley House

15,900

16,200

This appropriation is available for maintenance of the Sibley House and related buildings on the Old Mendota state historic site owned by the Sibley House Association.

The historical society should seek an agreement with the Sibley House Association whereby the historical society will make payments to the Association for this purpose, will provide the Association with technical assistance in applying for federal grants, and will provide professional architectural services to prepare a report to be submitted by January 1, 1979 to the governor and the legislature on the condition of the Sibley House, the Faribault House, and other buildings on the site.

Notwithstanding any laws to the contrary, the Sibley House Association may purchase fire, wind, hail, and vandalism insurance, and insurance coverage for fine art objects from this appropriation.

	1978	1979
	\$	\$
Subd. 2. Minnesota Academy of Science	16,200	16,200
Subd. 3. Board of the Arts		
(a) General Support	293,041	304,310
(b) Subsidies and Grants	1,478,704	1,970,399

\$700,000 the first year and \$900,000 the second year is for subsidies to the major arts organizations of the state.

Subsidies may be allocated to arts organizations with consistent state-wide or multi-region impact. Subsidy grants are for the general purposes of the recipient, not for any specific program project. The state arts board shall set guidelines and shall be responsible for the disbursement of subsidy funds.

The board of the arts shall continue to develop regional arts task forces and regional arts councils serving each of the 13 economic development regions of the state. The board shall recognize one task force from each district. The board shall, with the advice of a citizen advisory committee representing each of the 13 regions, establish guidelines for the regional arts task forces and regional arts councils. The regional arts task forces and regional arts councils may establish policy and make decisions on arts programs and grants of local and regional impact under the guidelines established by the board.

The board shall continue to develop a comprehensive statewide information and publicity system and shall include a progress report on its activities in its annual report to the legislature.

The state arts board shall allocate funds for the above purposes provided that no state appropriated funds may be expended for the general administration of any of the regional arts task forces or regional arts councils.

State appropriations for grants shall not be expended unless matched by federal money.

Any unencumbered balance remaining in

	1978	1979
	\$	\$
the first year shall not cancel but is available for the second year of the biennium.		
Subd. 4. Minnesota Safety Council	47,500	47,500

This appropriation is from the trunk highway fund and shall be disbursed by the commissioner of finance on certification of need therefor by the president of the Minnesota safety council. The commissioner of finance shall disburse upon certification 25 percent of the annual appropriation on the first day of July, October, January, and April of each fiscal year.

Sec. 5. SOCIAL SECURITY

Subdivision 1. Disabled American Veterans	10,000	10,000
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For salaries, supplies and expenses to be expended as provided by Laws 1941, Chapter 425.

Subd. 2. Veterans of Foreign Wars

For carrying out the provisions of Laws 1945, Chapter 455	10,500	10,500
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Sec. 6. MINNESOTA SOCIETY FOR THE PREVENTION OF CRUELTY

For 1977—\$9,222

No state funds shall be expended for the care, feeding, housing, or disposal of animals.

The governor shall review the functions of this agency and shall, using the procedures of Minnesota Statutes, Section 3.30, determine whether this agency should be funded for the second year of the biennium. There is appropriated to the general contingent account the sum of \$15,000 which may be utilized for the second year of the biennium.

Sec. 7. COUNTY ATTORNEYS COUNCIL

54,976

The governor shall review the functions of this agency and shall, using the procedures of Minnesota Statutes, Section 3.30, determine whether this agency should be funded for the second year of the biennium. There is appropriated to

	1978	1979
	\$	\$

the general contingent account the sum of \$54,976 which may be utilized for the second year of the biennium.

Sec. 8. SOUTHERN MINNESOTA RIVERS BASIN BOARD

42,453

The governor shall review the functions of this agency and shall, using the procedures of Minnesota Statutes, Section 3.30, determine whether this agency should be funded for the second year of the biennium. There is appropriated to the general contingent account the sum of \$43,688 which may be utilized for the second year of the biennium.

Sec. 9. VOYAGEURS NATIONAL PARK ADVISORY COMMITTEE

35,000

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

Sec. 10. UNEMPLOYMENT COMPENSATION

For 1977—\$5,090

To the commissioner of finance for transfer to the unemployment compensation fund, in reimbursement for unemployment compensation benefits paid to former employees of the following agencies:

Arts Board	\$1,190
County Attorneys' Council	\$3,900

Sec. 11. Minnesota Statutes 1976, Section 139.08, Subdivision 5, is amended to read:

Subd. 5. [REPORTS.] By November 15 of each year, the board shall prepare and deliver to the legislature and the governor a report which shall include the following:

(a) a financial statement showing receipts and disbursements for the year ending the preceding June 30, including a listing of donors and amounts of gifts to the board or its advisory committees valued in excess of \$1,000;

(b) a brief description of the activities of the board for the preceding year;

(c) the number of meetings and approximate hours spent by board members in meetings and on other board activities;

(d) the names of board members and their addresses, occupations, and dates of appointment and re-appointment to the board;

(e) the names and job classifications of board employees;

(f) a brief summary of board rules proposed or adopted during the period with appropriate citations to the state register and published rules;

(g) the number of requests for assistance received by the board and the number of written and oral complaints received from residents of the state relating to the activities of the board or the performance of the duties of the board as provided in this chapter;

(h) a summary by category of the substance of the complaints and requests referred to in (g) above and the responses of the board thereto;

(i) a listing of all grants, loans or other forms of assistance given by the board. This listing shall indicate (1) the recipients of board assistance who are members of the board or its advisory committees, and (2) each recipient sponsoring organization having a member of the board or its advisory committees as a director, officer or employee. The indication required in clause (2) shall also specify the name of the member who is the officer, director or employee. *The listing shall also include the amount of money, number of grants, and the basis for the allocations made to major arts organizations, to individuals, for state-wide distribution, for regional distribution, for sponsor assistance to community organizations, and for sponsor assistance to educational organizations.*

Sec. 12. Minnesota Statutes 1976, Section 139.10, is amended by adding a subdivision to read:

Subd. 3. The board shall be responsible for the administration of the professional touring program.

Sec. 13. Minnesota Statutes 1976, Chapter 139, is amended by adding a section to read:

[139.11] [PUBLICATIONS; LEGEND.] *Every publication, program, or other graphic material prepared by the board or prepared for use by any other organization in connection with an activity paid for by the board shall bear the legend: "This activity is made possible in part by a grant provided by the Minnesota state arts board through an appropriation by the Minnesota state legislature."*

Sec. 14. Minnesota Statutes 1976, Section 343.08, is amended to read:

343.08 [BIENNIAL REPORT.] *The state bureau of animal protection shall make a biennial report before October 1, by November 15 in each even numbered year, to the secretary of state and to the legislature, embracing describing its proceedings budget, expenditures, and activities for the two preceding year fiscal years, and including statistics showing its work.*

Sec. 15. Minnesota Statutes 1976, Section 343.12, is amended to read:

343.12 [DUTIES OF PEACE OFFICERS; FEES.] Upon application of any appointed agent at large or county agent in his county of appointment, it shall be the duty of, any sheriff or his deputy or any police officer to investigate any alleged violation of the law relative to cruelty to animals, and to arrest any person found violating those laws. It shall also be the duty of those officers to take possession of any animals in their respective jurisdictions which have been cruelly treated, and deliver the same to the proper officers of the ~~society~~ county for custody and care. ~~For such care extended, the society shall be allowed its reasonable costs which shall constitute a part of the costs taxed on conviction.~~

Sec. 16. Minnesota Statutes 1976, Section 346.216, is amended to read:

346.216 [EXPENSES OF INVESTIGATION.] The expenses of the investigation authorized by section 346.215 including the fee of the doctor of veterinary medicine, the expenses of keeping or disposing of any animal taken into custody pursuant to such investigation and all other expenses reasonably incident to such investigation shall be assessed against the person alleged to have violated section 346.21, if the person is found guilty of such violation. If the person is found innocent of such violation, the expenses shall be paid by the county treasurer from the general fund of the county. *If the person alleged to have violated section 346.21 is found guilty of the violation, the county shall have judgment against the guilty person for the amount of the expenses.*

Sec. 17. [REPEALER.] *Minnesota Statutes 1976, Sections 343.02; and 343.03, are repealed."*

Further, amend the title

Line 8, delete "sections" and insert "a section"

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

Senate Conferees: (Signed) Jack I. Kleinbaum, Clarence M. Purfeerst, Peter P. Stumpf, Harmon T. Ogdahl and Robert O. Ashbach.

House Conferees: (Signed) A. J. Eckstein, Harold Dahl, Wendell Erickson, John Arlandson and Walter Hanson.

Mr. Kleinbaum moved that the foregoing recommendations and Conference Committee Report on S. F. No. 1489 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. 1489: A bill for an act relating to the organization and operation of state government; appropriating money for maintenance of various semi-state activities and for other purposes; amending Minnesota Statutes 1976, Sections 139.08, Subdivision 5; 139.10, by adding a subdivision; 343.08; 343.12; 346.216; Chap-

ter 139, by adding sections; repealing Minnesota Statutes 1976, Sections 343.02; and 343.03.

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

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

The roll was called, and there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Gunderson	Luther	Perpich	Staples
Benedict	Keefe, S.	Menning	Pillsbury	Strand
Bernhagen	Kirchner	Milton	Purfeerst	Stumpf
Brataas	Kleinbaum	Moe	Schmitz	Tennessee
Coleman	Knoll	Nelson	Schrom	Ueland, A.
Davies	Knutson	Nichols	Setzenfandt	Ulland, J.
Engler	Laufenburger	Ogdahl	Sieloff	Vega
Frederick	Lessard	Olhoft	Sikorski	Wegener
Gearty	Lewis	Penny	Spear	

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

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 826 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 826

A bill for an act relating to seaway port authorities; personnel; contracts; authorizing port authorities to employ a certified public accountant to audit the books of the authority and authorizing the state auditor to accept such audits in lieu of his audit; amending Minnesota Statutes 1976, Section 458.18.

May 13, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 826, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments.

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

Senate Conferees: (Signed) James Ulland, Sam G. Solon and Florian Chmielewski.

House Conferees: (Signed) Thomas R. Berkelman, Mike Jaros and Arlene I. Lehto.

Mr. Ulland, J. moved that the foregoing recommendations and

Conference Committee Report on S. F. No. 826 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. 826: A bill for an act relating to seaway port authorities; personnel; contracts; authorizing port authorities to employ a certified public accountant to audit the books of the authority and authorizing the state auditor to accept such audits in lieu of his audit; amending Minnesota Statutes 1976, Section 458.18.

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

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

The roll was called, and there were yeas 40 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Gunderson	Luther	Pillsbury	Staples
Benedict	Keefe, S.	Menning	Purfeerst	Strand
Bernhagen	Kirchner	Moe	Schmitz	Stumpf
Coleman	Kleinbaum	Nelson	Schrom	Tennessee
Davies	Knoll	Nichols	Setzepfandt	Ueland, A.
Engler	Knutson	Olhoft	Sieloff	Ulland, J.
Frederick	Laufenburger	Penny	Sikorski	Vega
Gearty	Lessard	Perpich	Spear	Wegener

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

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 49 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 49

A bill for an act relating to business or agricultural loans; rate of interest therein; amending Minnesota Statutes 1976, Section 334.011, Subdivisions 1 and 4.

May 16, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 49 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. 49, the unofficial engrossment, be further amended as follows:

Page 1, line 18, delete "*four*" and insert "*four and one-half*"

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

Senate Conferees: (Signed) Roger Laufenberger, Mel Frederick, Clarence M. Purfeerst

House Conferees: (Signed) Ted Suss, Glen H. Anderson, Bruce G. Nelsen

Mr. Laufenberger moved that the foregoing recommendations and Conference Committee Report on S. F. No. 49 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. 49: A bill for an act relating to business or agricultural loans; rate of interest therein; amending Minnesota Statutes 1976, Section 334.011, Subdivisions 1 and 4.

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

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

The roll was called, and there were yeas 43 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Luther	Purfeerst	Strand
Bang	Keefe, J.	Menning	Schaaf	Stumpf
Benedict	Keefe, S.	Nelson	Schmitz	Tennessee
Bernhagen	Kirchner	Nichols	Schrom	Ueland, A.
Coleman	Kleinbaum	Ogdahl	Setzenpfandt	Ulland, J.
Davies	Knoll	Olhoff	Sieloff	Vega
Engler	Knutson	Penny	Sikorski	Wegener
Frederick	Laufenberger	Perpich	Spear	
Gearty	Lessard	Pillsbury	Staples	

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

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to 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 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. 274: A bill for an act relating to natural resources; authorizing additions to and deletions from certain state parks; authorizing land acquisition in relation thereto; amending Laws 1945, Chapter 484, Section 1, as amended.

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

Clawson, Lemke and Anderson, G.

Senate File No. 274 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1977

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. 381: A bill for an act relating to game and fish; changing the commissioner's duties in the removal of beaver; authorizing seasons for taking bobcat, fisher, fox, and wild turkey; requiring the commissioner to issue sportsman's licenses; extending the season and eliminating the annual limit for taking beaver; changing the hours for taking trout; extending the surcharge on small game licenses; amending Minnesota Statutes 1976, Sections 97.56; 98.46, Subdivisions 2, 2a, and 14; 100.26, Subdivision 1; 100.27, Subdivisions 1, 3, 4, 5, and 7; 100.28, Subdivision 1; 101.42, Subdivision 8; and Laws 1961, Chapter 66, Section 1, as amended; repealing Minnesota Statutes 1976, Section 348.071.

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

Reding, Begich and Anderson, G.

Senate File No. 381 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1977

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. 971: A bill for an act relating to probate; registrars; specifying certain powers of registrars; amending Minnesota Statutes 1976, Section 524.1-307.

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

Ellingson, Haugerud and Stoa.

Senate File No. 971 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1977

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. 977: A bill for an act relating to marriage; requiring certain information to be included on an application for a marriage license; amending Minnesota Statutes 1976, Sections 517.08, Subdivision 1; and 517.10.

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

Cummiskey, Casserly and Laidig.

Senate File No. 977 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1977

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. 1172: A bill for an act relating to administrative procedures of governmental agencies; adding metropolitan and capitol area agencies under the coverage of the administrative procedure act; limiting rule-making authority and obligations; permitting incorporation by reference; requiring completion of hearing examiner reports within a specified period; permitting an agency to appeal adverse district court decisions; providing copies of the state register for public libraries; providing for subpoenas and reporters; amending Minnesota Statutes 1976, Sections 15.0411, Subdivision 2; 15.0412; 15.0413, Subdivision 3; 15.0417; 15.0426; 15.048; 15.051, Subdivision 4; 15.052, Subdivisions 4 and 5; and 15.42.

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

Sieben, H; Berg and Casserly.

Senate File No. 1172 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1977

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. 1349: A bill for an act relating to the organization and operation of state government; regulating organization and procedures of various state departments and agencies; providing for the source of per diem and expense payments; providing for appointment and compensation of the employees suggestion board; removing the minimum teachers' license fee; permitting the board of teaching to adopt rules; regulating state arts board grants and publicity; providing the status of part time executive secretaries; permitting joint rule making proceedings; changing the name and composition of the state board of human rights; making miscellaneous inconsequential clarifications and corrections; amending Minnesota Statutes 1976, Sections 15.01; 15.059, Subdivision 6; 16.71, Subdivisions 1 and 1a; 121.02, Subdivision 1; 125.08; 125.-185, by adding a subdivision; 139.10, Subdivision 1, and by adding subdivisions; 144A.19, Subdivision 2; 144A.21, Subdivision 1; 144A.251; 214.04, Subdivision 3, and by adding a subdivision; 214.06, Subdivision 1; 238.04, Subdivision 2; 363.04, Subdivisions 4, 4a and 5; Chapter 15, by adding a section; and Laws 1976, Chapter 222, Section 207, Subdivision 2; repealing Minnesota Statutes 1976, Sections 144A.21, Subdivisions 3 and 4; 144A.25; and 214.05.

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

Adams, Arlandson and Searles.

Senate File No. 1349 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1977

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. 1309: 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 1976, Section 284.28; and Chapter 541, by adding a section; repealing Minnesota Statutes 1976, Sections 280.34; 284.09; and 284.22.

Senate File No. 1309 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1977

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 1309 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1309 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Lessard	Penny	Spear
Bang	Jensen	Lewis	Perpich	Staples
Benedict	Keefe, J.	Luther	Pillsbury	Strand
Bernhagen	Keefe, S.	Menning	Purfeerst	Stumpf
Coleman	Kirchner	Moe	Schmitz	Tennessee
Davies	Kleinbaum	Nelson	Schrom	Ueland, A.
Engler	Knoll	Nichols	Setzepfandt	Ulland, J.
Frederick	Knutson	Ogdahl	Sieloff	Vega
Gearty	Laufenburger	Olhoft	Sikorski	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. 223: A bill for an act relating to deaf persons; providing that deaf persons with guide dogs have the same rights and protection as blind persons with guide dogs; defining as a deductible medical expense the cost, feeding and maintenance expenses of guide dogs; amending Minnesota Statutes 1976, Sections 256C.02; 256C.025, Subdivision 4; 256C.03; 290.09, Subdivision 10; and 327.095.

Senate File No. 223 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1977

CONCURRENCE AND REPASSAGE

Mr. Bang moved that the Senate concur in the amendments by the House to S. F. No. 223 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 223 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Penny	Spear
Bang	Gunderson	Lewis	Perpich	Staples
Benedict	Jensen	Luther	Pillsbury	Strand
Bernhagen	Keefe, J.	Menning	Purfeerst	Stumpf
Brataas	Keefe, S.	Moe	Schmitz	Tennessee
Coleman	Kirchner	Nelson	Schrom	Ueland, A.
Davies	Kleinbaum	Nichols	Setzepfandt	Ulland, J.
Engler	Knoll	Ogdahl	Sieloff	Vega
Frederick	Knutson	Olhoft	Sikorski	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 House File, herewith transmitted:

H. F. No. 415.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 17, 1977

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H. F. No. 415: A bill for an act relating to collection and dissemination of data; clarifying information practices; defining terms; prescribing remedies; prescribing penalties; appropriating money; amending Minnesota Statutes 1976, Sections 15.1642; 15.165; Chapters 15; by adding sections; and 138, by adding a section; repealing Minnesota Statutes 1976, Sections 15.162; 15.163; 15.1641; 15.166; 15.167; 15.1671; 15.169; 15.17; 15.171; 15.172; 15.173; 15.174; 138.161; 138.162; 138.163; 138.17; 138.18; 138.19; 138.20; 138.21; and 138.22.

Mr. Tennessee 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. 415 and that the rules of the Senate be so far suspended as to give H. F. No. 415 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 415 was read the second time.

Mr. Tennessee moved to amend H. F. No. 415 as follows:

Strike everything after the enacting clause and insert the language of S. F. No. 811, as amended by the Committee on Judiciary, adopted by the Senate May 11, 1977, together with the amended title.

The motion prevailed. So the amendment was adopted.

Mr. Tennessee then moved to amend H. F. No. 415, as amended by the Senate, adopted May 17, 1977, as follows:

(The text of the House File is identical to S. F. No. 811).

Page 12, line 28, after "boarding care home" insert "which is"

Page 12, line 30, after "144A" insert ", and which is not supervised and operated by the commissioner of public welfare"

Page 12, after line 30, insert:

"Data on individuals relating to the diagnosis and treatment of individuals, which is collected, stored, used or disseminated by a hospital, nursing home, or boarding care home supervised and operated by the commissioner of public welfare, shall be handled pursuant to the provisions of sections 15.162 to 15.1671, and section 15."

The motion prevailed. So the amendment was adopted.

Mr. Frederick moved to amend H. F. No. 415, as amended by the Senate, May 17, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 811.)

Page 17, line 26, after the semicolon insert "whether or not a relative was employed by the hiring authority and the name and position of the relative;"

The motion prevailed. So the amendment was adopted.

CALL OF THE SENATE

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

Benedict	Keefe, J.	McCutcheon	Perpich	Tennesen
Davies	Kirchner	Menning	Purfeerst	Vega
Dunn	Knoll	Milton	Spear	Wegener
Engler	Knutson	Moe	Staples	Willet
Frederick	Lessard	Nelson	Stokowski	
Gearty	Lewis	Olhoft	Strand	
Humphrey	Luther	Penny	Stumpf	

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

H. F. No. 415 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 48 and nays 1, as follows:

Those who voted in the affirmative were:

Benedict	Gunderson	Lewis	Perpich	Strand
Bernhagen	Humphrey	Luther	Pillsbury	Stumpf
Borden	Johnson	Menning	Schaaf	Tennesen
Brataas	Keefe, J.	Milton	Schmitz	Ueland, A.
Coleman	Keefe, S.	Moe	Setzepfandt	Ulland, J.
Davies	Kirchner	Nelson	Sieloff	Vega
Dunn	Knoll	Nichols	Sikoraki	Wegener
Engler	Knutson	Olhoft	Spear	Willet
Frederick	Laufenburger	Olson	Staples	
Gearty	Lessard	Penny	Stokowski	

Mr. Purfeerst voted in the negative.

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Humphrey moved that the name of Mr. Lessard be added as co-author to S. F. No. 889. The motion prevailed.

Mr. Tennesen moved that S. F. No. 811, No. 28 on General Orders, be stricken and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Davies moved that S. F. No. 1070 be taken from the table. The motion prevailed.

S. F. No. 1070: A bill for an act relating to franchises; concerning franchise fees; amending Minnesota Statutes 1976, Sections 80C.01, Subdivisions 4 and 9; 80C.08, Subdivision 1; and 80C.09, Subdivision 1.

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 1070 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1070 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 47 and nays 1, as follows:

Those who voted in the affirmative were:

Benedict	Gunderson	McCutcheon	Purfeerst	Stumpf
Bernhagen	Johnson	Menning	Schaaf	Tennesen
Borden	Keefe, S.	Milton	Schmitz	Ueland, A.
Brataas	Kirchner	Moe	Setzepfandt	Ulland, J.
Coleman	Knoll	Nelson	Sieloff	Vega
Davies	Knutson	Nichols	Sikorski	Wegener
Dunn	Laufenburger	Olhoft	Spear	Willet
Engler	Lessard	Penny	Staples	
Frederick	Lewis	Perpich	Stokowski	
Gearty	Luther	Pillsbury	Strand	

Mr. Keefe, J. voted in the negative.

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Borden moved that S. F. No. 572 be taken from the table. The motion prevailed.

S. F. No. 572: A bill for an act relating to credit unions; extending the authority of state chartered credit unions to permit same activities as federally-chartered credit unions where commissioner of banks authorizes by rule; amending Minnesota Statutes 1976, Section 52.04.

CONCURRENCE AND REPASSAGE

Mr. Borden moved that the Senate concur in the amendments by the House to S. F. No. 572 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 572 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Benedict	Gunderson	Lewis	Penny	Staples
Bernhagen	Humphrey	Luther	Perpich	Stokowski
Borden	Johnson	McCutcheon	Pillsbury	Strand
Brataas	Keefe, J.	Menning	Purfeerst	Stumpf
Coleman	Keefe, S.	Milton	Schaaf	Tennessee
Davies	Kirchner	Moe	Schmitz	Ueland, A.
Dunn	Knoll	Nelson	Setzepfandt	Ulland, J.
Engler	Knutson	Nichols	Sieloff	Vega
Frederick	Laufenburger	Olhoft	Sikorski	Wegener
Gearty	Lessard	Olson	Spear	Willet

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

Without objection, the Senate reverted to the Order of Business of Messages from the House.

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. 626: A bill for an act relating to taxation; providing for reduced assessment classification of certain resort property; amending Minnesota Statutes 1976, Section 273.13, Subdivisions 4 and 6.

Senate File No. 626 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 17, 1977.

CONCURRENCE AND REPASSAGE

Mr. Willet moved that the Senate concur in the amendments by the House to S. F. No. 626 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 626 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 47 and nays 0, as follows:

Those who voted in the affirmative were:

Benedict	Gunderson	Luther	Pillsbury	Stumpf
Bernhagen	Humphrey	McCutcheon	Purfeerst	Tennessee
Borden	Johnson	Menning	Schmitz	Ueland, A.
Brataas	Keefe, J.	Milton	Setzepfandt	Ulland, J.
Coleman	Keefe, S.	Nelson	Sieloff	Vega
Davies	Kirchner	Nichols	Sikorski	Wegener
Dunn	Knoll	Olhoft	Spear	Willet
Engler	Knutson	Olson	Staples	
Frederick	Lewis	Penny	Strand	
Gearty	Lessard	Perpich	Stokowski	

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that the Senate do now adjourn until 1:00 o'clock p.m., Wednesday, May 18, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FIFTY-SEVENTH DAY

St. Paul, Minnesota, Wednesday, May 18, 1977

The Senate met at 1:00 o'clock p.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	Frederick	Laufenburger	Penny	Spear
Benedict	Gearty	Luther	Perpich	Staples
Borden	Gunderson	McCutcheon	Peterson	Stokowski
Brataas	Hanson	Menning	Pillsbury	Strand
Chenoweth	Keefe, S.	Milton	Purfeerst	Stumpf
Chmielewski	Kirchner	Nelson	Schmitz	Tennessee
Coleman	Kleinbaum	Nichols	Setzepfandt	Vega
Dieterich	Knoll	Ogdahl	Sikorski	Wegener
Dunn	Knutson	Olhoft	Solon	Willet

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

Prayer was offered by the Chaplain, Monsignor Terrence J. Murphy.

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

Anderson	Frederick	Laufenburger	Penny	Spear
Ashbach	Gearty	Lessard	Perpich	Staples
Bang	Gunderson	Lewis	Peterson	Stokowski
Benedict	Hanson	Luther	Pillsbury	Strand
Bernhagen	Hughes	McCutcheon	Purfeerst	Stumpf
Borden	Humphrey	Menning	Renneke	Tennessee
Brataas	Jensen	Merriam	Schaaf	Ueland, A.
Chenoweth	Johnson	Milton	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Moe	Schrom	Vega
Coleman	Keefe, S.	Nelson	Setzepfandt	Wegener
Davies	Kirchner	Nichols	Sicliff	Willet
Dieterich	Kleinbaum	Ogdahl	Sikorski	
Dunn	Knoll	Olhoft	Sillers	
Engler	Knutson	Olson	Solon	

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. Laufenburger was excused from the Session of today at 4:00 o'clock p.m.

Pursuant to Rule 21, Mr. Olson moved that the following members be excused for a Conference Committee on S. F. No. 977:

Messrs. Olson, Chmielewski and Ulland, A. The motion prevailed.

Pursuant to Rule 21, Mr. Humphrey moved that the following members be excused for a Conference Committee on S. F. No. 1467:

Messrs. Humphrey, Borden, Willet, Solon and Dunn. The motion prevailed.

Pursuant to Rule 21, Mr. Milton moved that the following members be excused for a Conference Committee on H. F. No. 320:

Messrs. Milton; Keefe, S. and Mrs. Brataas. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Setzepfandt, Menning, Gunderson, Schmitz and Nelson introduced—

S. F. No. 1537: A bill for an act proposing an amendment to the Minnesota Constitution, Article IV, Section 4; providing staggered four year terms for state senators.

Referred to the Committee on Rules and Administration.

Messrs. Nelson, Hanson and Setzepfandt introduced—

S. F. No. 1538: A bill for an act relating to the office of county attorney; providing that the county attorney shall prosecute persons apprehended or arrested by the Minnesota highway patrol outside cities of the first class; amending Minnesota Statutes 1976, Chapter 388, by adding a section.

Referred to the Committee on Judiciary.

Mr. Chmielewski introduced—

S. F. No. 1539: A bill for an act relating to the city of Kerick, authorizing continued operation of an open dumping ground.

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. 288, 506, 928 and 1175:

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 17, 1977

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. 1029: 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 1976, Sections 116A.01, Subdivisions 1, 1a, 2 and 4, and by adding a subdivision; 116A.02, by adding a subdivision; 116A.09; 116A.11, Subdivision 4; 116A.12, by adding a subdivision; 116A.16; 116A.17, Subdivision 2; 116A.20, Subdivisions 2 and 6; and 116A.24, Subdivisions 1, 2 and 3.

Senate File No. 1029 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 17, 1977

Mr. Coleman moved that S. F. No. 1029 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. 709: A bill for an act relating to the Hennepin county municipal court; clarifying fee exclusions for governmental units; amending Minnesota Statutes 1976, Section 488A.03, Subdivision 11a.

Senate File No. 709 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 17, 1977

Mr. Tennesen moved that S. F. No. 709 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. 723, 1630 and 1631.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 17, 1977

FIRST READING OF HOUSE BILLS

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

H. F. No. 723: A bill for an act relating to economic development; providing grants to community development corporations; setting out criteria for making such grants; appropriating funds; amending Minnesota Statutes 1976, Chapter 362, by adding a section.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 675, now on General Orders.

H. F. No. 1630: A bill for an act relating to claims against the state; appropriating money for the payment thereof; establishing procedures for consideration of certain claims.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1521, now on General Orders.

H. F. No. 1631: A bill for an act relating to public improvements; providing for prison and education facilities; regulating the location of certain education facilities; barrier free buildings; authorizing state building bonds; appropriating money.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1530, now in the Subcommittee on Bill Scheduling.

MOTIONS AND RESOLUTIONS

Mr. Strand moved that the names of Messrs. Sikorski, Penny and Gunderson be added as co-authors to S. F. No. 1238. The motion prevailed.

Mr. Stumpf moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1531. The motion prevailed.

Mrs. Staples moved that H. F. No. 167 be withdrawn from the Committee on Finance and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 1486 now on General Orders. The motion prevailed.

Mr. Wegener moved that H. F. No. 1060 be withdrawn from the Committee on Finance and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 227 now on General Orders. The motion prevailed.

Mr. McCutcheon moved that H. F. No. 800 be taken from the table. The motion prevailed.

H. F. No. 800: A bill for an act relating to crimes; regulating the transfer of pistols; requiring a waiting period for pistol transfers; requiring police checks of pistol transferees; prohibiting transfers of pistols to certain persons; providing for transferee permits; prescribing penalties; providing for statewide validity of permits to carry; amending Minnesota Statutes 1976, Sections 609.11, Subdivision 1, and by adding a subdivision; 609.135, Subdivision 1; 624.712, Subdivisions 2 and 4, and by adding a subdivision; 624.714, Subdivision 9, and by adding a subdivision; and Chapter 624, by adding sections; repealing Minnesota Statutes 1976, Section 609.11, Subdivision 2.

CALL OF THE SENATE

Mr. McCutcheon imposed a call of the Senate for the proceedings on H. F. No. 800. The following Senators answered to their names:

Anderson	Gearty	Laufenburger	Penny	Solon
Ashbach	Gunderson	Lessard	Perpich	Spear
Benedict	Hanson	Lewis	Peterson	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Strand
Brataas	Jensen	Menning	Renneke	Stumpf
Chenoweth	Johnson	Merriam	Schaaf	Tennessee
Coleman	Keefe, J.	Milton	Schmitz	Ulland, J.
Davies	Keefe, S.	Moe	Schrom	Vega
Dieterich	Kirchner	Nelson	Setzepfandt	Wegener
Dunn	Kleinbaum	Nichols	Sieloff	Willet
Engler	Knoll	Ogdahl	Sikorski	
Frederick	Knutson	Olhoft	Sillers	

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

Mr. Johnson moved to amend the Olhoft amendment to H. F. No. 800, adopted by the Senate May 10, 1977, as follows:

Section 3, subdivision 9, clause (d), second and third lines, strike "other than protected wild animals"

The motion prevailed. So the amendment to the amendment was adopted.

H. F. No. 800 was then progressed.

Pursuant to Rule 21, Mr. Lewis moved that the following members be excused for a Conference Committee on S. F. No. 1460:

Messrs. Lewis, Moe, Milton, Kirchner and Perpich. The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 522 a Special Order to be heard immediately.

H. F. No. 522: A bill for an act relating to energy; extending

the application of the state building code to all cities and counties; clarifying state agency rulemaking regarding building code subject matter; further defining large energy facility; imposing duties on the director of the energy agency; requiring promulgation of certain energy conservation standards; revising certain requirements; requiring research on fuel supplements; exempting certain solar energy systems from property taxation; providing a ten percent credit against income tax for the cost of certain solar energy systems; appropriating funds; amending Minnesota Statutes 1976, Sections 16.84; 16.851; 16.86, Subdivision 4; 116H.02, Subdivision 5; 116H.07, Subdivision 1; 116H.12, Subdivision 5, and by adding subdivisions; 116H.121; 116H.126; 116H.13, Subdivision 4; 126.111; 272.02, Subdivision 1; and 290.06, Subdivision 9; repealing Minnesota Statutes 1976, Sections 116H.12, Subdivision 10; 325.811; and 325.812.

Mr. Jensen moved to amend H. F. No. 522, as amended pursuant to Rule 49, adopted by the Senate May 17, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 669.)

Page 5, after line 29, insert:

"Sec. 4. Minnesota Statutes 1976, 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 561 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. 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.

The commissioner shall, before January 1 of each even-numbered year, estimate the surcharge income to the state over the biennium beginning the preceding July 1. If the estimated surcharge income exceeds 120 percent of the anticipated expenditures of the building code division which are not reimbursed by non-state agencies, the commissioner shall proportionately reduce the surcharge rates so that the estimated income will be 120 percent or less of the applicable anticipated expenditures. Notice of surcharge rate adjustments pursuant to this subdivision shall be distributed to muni-

cipalities in the state and shall be published in January of each even-numbered year in the state register. A surcharge rate adjustment shall be effective only for that biennium."

Page 20, line 4, strike "4 and 13" and insert "5 and 14"

Page 20, line 6, strike "7" and insert "8"

Page 20, line 15, strike "14" and insert "15"

Page 20, line 18, strike "17" and insert "18"

Page 20, line 22, strike "18" and insert "19"

Page 20, line 26, strike "19" and insert "20"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon insert "limiting building code surcharge;"

Page 1, line 16, after "4," insert "16.866, Subdivision 1;"

The motion prevailed. So the amendment was adopted.

Mr. Nelson moved to amend H. F. No. 522, as amended pursuant to Rule 49, adopted by the Senate May 17, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 669.)

Page 18, after line 24, insert:

"Sec. 17. Minnesota Statutes 1976, Section 290.06, is amended by adding a subdivision to read:

Subd. 12. [INSULATION CREDIT.] A credit of 20 percent of the net cost of adding insulation to the attic and ceiling of an existing residential building may be deducted from the tax due under this chapter. The director of the energy agency in consultation with the director of the state building codes division shall provide guidelines for eligible types of insulation. The credit provided for in this subdivision shall not exceed \$80 in any one year and shall terminate on December 31, 1979.

If the allowable amount of the claim authorized as a tax credit in subdivision 12 exceeds the state income taxes otherwise due on the claimant's income in any year or if there are no state income taxes due on the claimant's income in any year, the amount of the claim not used as an offset against income taxes, subject to audit by the department of revenue, shall be paid to the claimant in the same manner as a refund for overpayment of a tax. Interest shall be allowed as provided in section 290.92, subdivision 13."

Page 20, line 18, strike "17" and insert "18"

Page 20, line 22, strike "18" and insert "19"

Page 20, line 26, strike "19" and insert "20"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 14, after "systems;" insert "creating a tax credit for insulation costs;"

Page 1, line 20, after "9" insert ", and by adding a subdivision"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 22 and nays 31, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Kirchner	Pillsbury	Ueland, A.
Bang	Engler	Knutson	Renneke	Ulland, J.
Benedict	Humphrey	Luther	Schaaf	
Bernhagen	Jensen	Nelson	Sieloff	
Chenoweth	Keefe, J.	Penny	Sillers	

Those who voted in the negative were:

Anderson	Keefe, S.	Moe	Setzepfandt	Vega
Coleman	Kleinbaum	Nichols	Solon	Wegener
Davies	Knoll	Olhoft	Spear	Willet
Dieterich	Lessard	Perpich	Stokowski	
Garty	McCutcheon	Peterson	Strand	
Gunderson	Menning	Purfeerst	Stumpf	
Hughes	Merriam	Schmitz	Tennessee	

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

Pursuant to Rule 21, Mr. Kleinbaum moved that the following members be excused for a Conference Committee on H. F. No. 451:

Messrs. Kleinbaum, Solon, Borden, Bang and Davies. The motion prevailed.

Mr. Luther moved to amend H. F. No. 522, as amended pursuant to Rule 49, adopted by the Senate May 17, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 669.)

Page 10, after line 6, insert:

"Sec. 9. Minnesota Statutes 1976, Section 116H.12, is amended by adding subdivisions to read:

Subd. 1a. Beginning July 1, 1978, no person shall operate outdoor display lighting which is not used primarily for security purposes between the hours of 1:00 a.m. and 4:00 p.m. except as provided in subdivision 1b. For purposes of this section, "outdoor display lighting" shall not include advertising signs which identify a commercial establishment which is open for business at that hour.

Subd. 1b. The director shall adopt rules pursuant to chapter 15 by January 1, 1978, defining outdoor display lighting and specifying any permissible hours of operation, standards for quantity, and energy efficiency for outdoor display lighting. The rules shall not be effective until July 1, 1978. The director may also promulgate rules permitting variances where compliance would cause significant hardship."

Renumber the sections in sequence

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 23 and nays 32, as follows:

Those who voted in the affirmative were:

Anderson	Luther	Nichols	Spear	Vega
Benedict	McCutcheon	Olhoff	Staples	Wegener
Chenoweth	Menning	Perpich	Strand	Willet
Dieterich	Merriam	Sikorski	Stumpf	
Johnson	Nelson	Sillers	Ulland, J.	

Those who voted in the negative were:

Ashbach	Gearty	Knoll	Pillsbury	Solon
Bernhagen	Gunderson	Knutson	Purfeerst	Stokowski
Chmielewski	Hughes	Laufenburger	Schaaf	Tennessee
Coleman	Humphrey	Lessard	Schmitz	Ueland, A.
Davies	Jensen	Lewis	Schrom	
Engler	Keefe, J.	Olson	Setzpfandt	
Frederick	Kleinbaum	Penny	Sieloff	

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

H. F. No. 522 was then progressed.

Pursuant to Rule 21, Mr. Peterson moved that the following members be excused for a Conference Committee on S. F. No. 381:

Messrs. Peterson, Nichols and Bernhagen. The motion prevailed.

The question recurred on H. F. No. 800.

Mr. Keefe, J. moved to amend H. F. No. 800, as amended pursuant to Rule 49, adopted by the Senate April 26, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 781.)

Page 2, after line 9, insert a new section to read:

"Sec. 3. Minnesota Statutes 1976, Chapter 624, is amended by adding a section to read:

[624.7130] [TRANSFEREE PERMIT.] *Subdivision 1. Any person may apply for a pistol transferee permit by providing the following information in writing to the chief of police of an organized full time police department of the municipality in which he resides or to the county sheriff if there is no such local chief of police:*

(a) *The name, residence, telephone number and driver's license number or non-qualification certificate number, if any, of the proposed transferee;*

(b) *The sex, date of birth, height, weight and color of eyes of the proposed transferee; and*

(c) *A statement by the proposed transferee that he is not prohibited by section 624.713 from possessing a pistol.*

The statement shall be signed by the person applying for a permit. At the time of application, the local police authority shall provide the applicant with a dated receipt for the application.

Subd. 2. [INVESTIGATION.] The chief of police or sheriff shall check criminal histories, records and warrant information relating to the applicant through the Minnesota crime information system.

Subd. 3. [FORMS.] Chiefs of police and sheriffs shall make transferee permit application forms available throughout the community. There shall be no charge for forms, reports, investigations, notifications, waivers or any other act performed or materials provided by a government employee or agency in connection with application for or issuance of a transferee permit.

Subd. 4. [GROUNDS FOR DISQUALIFICATION.] A determination by the chief of police or sheriff that the applicant is prohibited by section 624.713 from possessing a pistol shall be the only basis for refusal to grant a transferee permit.

Subd. 5. [GRANTING OF PERMITS.] The chief of police or sheriff shall issue a transferee permit or deny the application within seven days of application for the permit. The chief of police or sheriff shall provide an applicant with written notification of a denial and the specific reason for the denial. The permits and their renewal shall be granted free of charge.

Subd. 6. [PERMITS VALID STATEWIDE; RENEWAL.] Transferee permits issued pursuant to this section are valid statewide and shall expire after one year. A transferee permit may be renewed in the same manner and subject to the same provisions by which the original permit was obtained. Permits issued pursuant to this section are not transferable. A person who transfers a permit in violation of this subdivision is guilty of a misdemeanor.

Subd. 7. [PERMIT VOIDED.] The transferee permit shall be void at the time that the holder becomes prohibited from possessing a pistol under section 624.713, in which event the holder shall return the permit within five days to the issuing authority. Failure of the holder to return the permit within the five days is a misdemeanor unless the court finds that the circumstances or the physical or mental condition of the permit holder prevented the holder from complying with the return requirement.

Subd. 8. [HEARING UPON DENIAL.] Any person aggrieved by denial of a transferee permit may appeal the denial to the county court or county municipal court having jurisdiction over the county or municipality in which the denial occurred.

Subd. 9. [PERMIT TO CARRY.] A valid permit to carry issued pursuant to section 624.714 constitutes a transferee permit for the purposes of this section and section 5.

Subd. 10. [TRANSFER REPORT NOT REQUIRED.] A person who transfers a pistol to a person exhibiting a valid transferee permit issued pursuant to this section or a valid permit to carry issued pursuant to section 624.714 is not required to file a transfer report pursuant to section 5, subdivision 1.

Subd. 11. [PENALTY.] A person who makes a false statement in order to obtain a transferee permit knowing or having reason to know the statement is false is guilty of a gross misdemeanor.

Subd. 12. [LOCAL REGULATION.] This section shall be construed to supersede municipal or county regulation of the issuance of transferee permits."

Page 2, line 13, after "section" insert "and section 4"

Page 2, line 20, after "number" insert "or nonqualification certificate number, if any,"

Page 2, line 21, after "weight" strike the comma and insert "and"

Page 2, line 22, after "eyes" strike "and hair and other distinguishing characteristics, if"

Page 2, line 23, strike "any,"

Page 2, strike lines 27 to 31 and insert "(d) The address of the place of business of the transferor."

Page 3, line 17, strike "12" and insert "13"

Page 4, after line 6, insert:

"Subd. 6. [TRANSFEREE PERMIT.] If a chief of police or sheriff determines that a transferee is not a person prohibited by section 624.713 from possessing a pistol, the transferee may, within 30 days after the determination, apply to that chief of police or sheriff for a transferee permit, and the permit shall be issued."

Page 4, line 10, before "If" insert "(1)"

Page 4, line 10, strike "transferor" and insert "proposed transferee presents a valid transferee permit issued under section 3 or a valid permit to carry issued under section 624.714, the transferor need not file a transfer report.

(2) *If the transferor"*

Page 4, line 21, after "section" insert "or section 3"

Renumber the remaining subdivisions in sequence

Renumber the remaining section

Page 6, line 14, strike "The matter shall be heard de novo"

Page 6, line 15, strike "without a jury"

Page 6, line 30, strike "12" and insert "13"

Page 7, line 4, strike "12" and insert "13"

Amend the title as follows:

Page 1, line 9, strike "a section" and insert "sections"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 35 and nays 11, as follows:

Those who voted in the affirmative were:

Bang	Johnson	Milton	Pillsbury	Spear
Chenoweth	Keefe, J.	Moe	Purfeerst	Staples
Coleman	Keefe, S.	Nelson	Schaaf	Stokowski
Gearty	Knoll	Ogdahl	Setzepfandt	Stumpf
Gunderson	Lewis	Olhoft	Sieloff	Tennessee
Hughes	McCutcheon	Olson	Sikorski	Ulland, J.
Humphrey	Merriam	Perpich	Sillers	Willet

Those who voted in the negative were:

Ashbach	Engler	Knutson	Schmitz	Strand
Benedict	Jensen	Menning	Schrom	Vega
Chmielewski				

The motion prevailed. So the amendment was adopted.

H. F. No. 800 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

Mr. McCutcheon moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 34 and nays 31, as follows:

Those who voted in the affirmative were:

Bang	Gearty	Lewis	Perpich	Spear
Borden	Gunderson	Luther	Pillsbury	Staples
Brataas	Hughes	McCutcheon	Purfeerst	Stokowski
Chenoweth	Humphrey	Merriam	Schaaf	Stumpf
Coleman	Keefe, J.	Milton	Sieloff	Tennessee
Davies	Keefe, S.	Ogdahl	Sikorski	Ulland, J.
Dieterich	Knoll	Olhoft	Sillers	

Those who voted in the negative were:

Anderson	Frederick	Lessard	Peterson	Vega
Ashbach	Jensen	Menning	Renneke	Wegener
Benedict	Johnson	Moe	Schmitz	Willet
Bernhagen	Kirchner	Nelson	Schrom	
Chmielewski	Kleinbaum	Nichols	Setzepfandt	
Dunn	Knutson	Olson	Strand	
Engler	Laufenburger	Penny	Ulland, A.	

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

Pursuant to Rule 21, Mr. Merriam moved that the following members be excused for a Conference Committee on S. F. No. 896:

Messrs. Merriam, Dunn, Olhoft, Luther and Anderson. The motion prevailed.

Pursuant to Rule 21, Mr. Kleinbaum moved that the following members be excused for a Conference Committee on H. F. No. 451:

Messrs. Bang, Borden, Solon, Kleinbaum and Davies. The motion prevailed.

The question recurred on H. F. No. 522.

Mr. Bernhagen moved to amend H. F. No. 522, as amended

pursuant to Rule 49, adopted by the Senate, May 17, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 669.)

Page 18, after line 24 insert:

"Sec. 17. Minnesota Statutes 1976, Section 290.06, is amended by adding a subdivision to read:

Subd. 12. [MOTOR VEHICLE ENERGY CONSERVATION CREDIT.] A credit in the following amounts to the first purchaser of a passenger automobile or station wagon as defined in section 168.011, subdivisions 7 and 23, manufactured after July 31, 1978, purchased or acquired either in or outside the state of Minnesota, which is required to be registered under the laws of this state:

<i>Gas mileage</i>	<i>Amount of credit</i>
<i>over 18 and under 20</i>	<i>\$50</i>
<i>over 20 and under 22</i>	<i>\$75</i>
<i>over 22</i>	<i>\$100</i>

The gas mileage of a vehicle for purposes of this subdivision shall be based on the mileage estimate for combined city and highway driving found in the new car label required by the federal environmental protection agency or its successor organization."

Renumber the remaining sections.

Page 20, line 18 delete "17" and insert "18"

Page 20, line 22 delete "18" and insert "19"

Page 20, line 26 delete "19" and insert "20"

Further amend the title as follows:

Page 1, line 14 after the first semicolon insert "providing income tax credit to first purchasers of certain automobiles;"

Page 1, line 20 after "9" insert ", and by adding a subdivision"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 15 and nays 32, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Jensen	Renneke	Sillers
Bang	Engler	Knutson	Schaaf	Ueland, A.
Bernhagen	Frederick	Pillsbury	Sieloff	Willet

Those who voted in the negative were:

Anderson	Hughes	Menning	Setzepfandt	Tennessee
Benedict	Humphrey	Milton	Sikorski	Ulland, J.
Coleman	Johnson	Moe	Solon	Vega
Davies	Knoll	Nelson	Spear	Wegener
Gearty	Laufenburger	Ogdahl	Staples	
Gunderson	Lessard	Perpich	Stokowski	
Hanson	McCutcheon	Schmitz	Strand	

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

Mr. Humphrey moved to amend H. F. No. 522, as amended pursuant to Rule 49, adopted by the Senate May 17, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 669.)

Page 18, after line 24, insert:

"Sec. 17. Minnesota Statutes 1976, Section 297B.01, Subdivision 1, is amended to read:

297B.01 [DEFINITIONS.] Subdivision 1. The following words, terms and phrases when used in Laws 1974, Chapter 853, *this chapter* shall have the meaning ascribed to them in this section except where the context clearly indicates a different meaning.

Sec. 18. Minnesota Statutes 1976, Section 297B.01, Subdivision 8, is amended to read:

Subd. 8. "Purchase price" means the total consideration valued in money for a sale, whether paid in money or otherwise, provided however, that when a motor vehicle is taken in trade as a credit or as part payment on a motor vehicle taxable under Laws 1974, Chapter 853, *this chapter* the credit or trade-in value allowed by the person selling the motor vehicle shall be deducted from the total selling price to establish the purchase price of the vehicle being sold and the trade-in allowance allowed by the seller shall constitute the purchase price of the motor vehicle accepted as a trade-in. The purchase price in those instances where the motor vehicle is acquired by gift or by any other transfer for a nominal or no monetary consideration shall also include the average value of similar motor vehicles, established by standards and guides as determined by the motor vehicle registrar. The purchase price in those instances where a motor vehicle is manufactured by a person who registers it under the laws of this state shall mean the manufactured cost of such motor vehicle and manufactured cost shall mean the amount expended for materials, labor and other properly allocable costs of manufacture, except that in the absence of actual expenditures for the manufacture of a part or all of the motor vehicle, manufactured costs shall mean the reasonable value of the completed motor vehicle. The term "purchase price" shall not include the transfer of a motor vehicle by way of gift between a husband and wife or parent and child, nor shall it include the transfer of a motor vehicle by a guardian to his ward when there is no monetary consideration and the title to such vehicle was registered in the name of the guardian, as guardian, only because the ward was a minor.

Sec. 19. Minnesota Statutes 1976, Section 297B.06, is amended to read:

297B.06 [REGISTRATION NOT TO BE ISSUED UNLESS TAX PAID.] No registration plates or certificate shall be issued by the motor vehicle registrar for the ownership or operation of any motor vehicle to any applicant for registration other than

for those vehicles which have been previously registered and the applicant for registration is the same person in whose name the registration had previously been issued or other than for those vehicles exempt from the tax under other sections of Laws 1971, Chapter 853, unless the ~~tax~~ taxes imposed by section 297B.02 and section 12 shall be paid by the applicant to the motor vehicle registrar.

Sec. 20. Minnesota Statutes 1976, Section 297B.07, is amended to read:

297B.07 [PRESUMPTION.] For the purpose of the proper administration of ~~Laws 1971, Chapter 853~~ *this chapter* and to prevent evasion of the tax, the following presumptions shall apply:

(1) Evidence that a motor vehicle was sold for delivery in this state shall be prima facie evidence that it was sold for use in this state.

(2) When an application for registration plates for a motor vehicle is received by the motor vehicle registrar within 30 days of the date it was purchased or acquired by the purchaser, it shall be presumed, until the contrary is shown by the purchaser, that it was purchased or acquired for use in this state. This presumption shall apply whether or not such vehicle was previously titled or registered in another state.

Sec. 21. Minnesota Statutes 1976, Section 297B.08, is amended to read:

297B.08 [CREDIT FOR EXCISE TAX PAID IN OTHER STATES; RECIPROCITY.] If any motor vehicle has been or is subject to a tax by any other state in respect to its sale or use, in an amount less than the tax imposed by ~~Laws 1971, Chapter 853 section 297B.02~~, the provisions of ~~Laws 1971, Chapter 853 sections 297B.01 to 297B.13~~, shall apply, but at a rate measured by the difference only between the rate fixed in ~~Laws 1971, Chapter 853 section 297B.02~~, and the rate by which the previous tax paid in the other state upon the sale or use was computed. If the rate of tax imposed in such other state is the same or more than the rate of tax imposed by ~~Laws 1971, Chapter 853 section 297B.02~~, then no tax shall be due on such motor vehicle. The provisions of this section shall apply only if such other state allows a credit with respect to the excise tax imposed by ~~Laws 1971, Chapter 853 section 297B.02~~, which is substantially similar in effect to the credit allowed by this section.

Sec. 22. Minnesota Statutes 1976, Section 297B.09, is amended to read:

297B.09 [ALLOCATION OF REVENUE.] All moneys collected and received under ~~Laws 1971, Chapter 853, this chapter~~ shall be allocated monthly by the motor vehicle registrar to the state commissioner of revenue and by him shall be paid to the state treasurer and shall be deposited as provided in section 297A.44.

Sec. 23. Minnesota Statutes 1976, Section 297B.10, is amended to read:

297B.10 [PENALTIES.] (1) Any person who shall complete or submit a false or fraudulent motor vehicle purchaser's certificate with intent to defeat or evade the tax taxes imposed under Laws 1971, Chapter 853, *this chapter* shall be guilty of a misdemeanor and for each such offense shall be fined not to exceed \$500 or shall be imprisoned in the county jail not to exceed one year, or shall be subject to both such fine and imprisonment, in the discretion of the court.

(2) Any person who shall violate any of the provisions of Laws 1971, Chapter 853 *this chapter* shall, unless the violation be of the type referred to in clause (1), be guilty of a misdemeanor and shall be punished by a fine of not less than \$50 nor more than \$100 or by imprisonment in the county jail for not less than 30 days, or both such fine and imprisonment.

Sec. 24. Minnesota Statutes 1976, Section 297B.11, is amended to read:

297B.11 [MOTOR VEHICLE REGISTRAR TO ACT AS AGENT OF COMMISSIONER OF REVENUE IN ADMINISTRATION OF MOTOR VEHICLE EXCISE TAX.] The state commissioner of revenue is charged with the administration of Laws 1971, Chapter 853 *this chapter*. The commissioner may prescribe all rules and regulations not inconsistent with the provisions of Laws 1971, Chapter 853 *this chapter*, necessary and advisable for the proper and efficient administration of Laws 1971, Chapter 853 *this chapter*. The collection of *this the* motor vehicle excise tax taxes imposed by *this chapter* shall be carried out by the motor vehicle registrar who shall act as the agent of the commissioner and who shall be subject to all rules and regulations not inconsistent with the provisions of Laws 1971, Chapter 853, *this chapter* that may be prescribed by the commissioner. The provisions of Laws 1971, Chapter 853 *this chapter*, shall not be construed as preventing the collection of motor vehicle excise taxes by the commissioner of revenue in the course of any audit carried on by the commissioner of revenue.

Sec. 25. Minnesota Statutes 1976, Section 297B.12, is amended to read:

297B.12 [CONFIDENTIAL NATURE OF INFORMATION.] It shall be unlawful for the motor vehicle registrar, deputy registrars or any other public official or employee to divulge or otherwise make known in any manner any particulars disclosed in any purchaser's certificate or any information concerning affairs of any person making such certificate acquired from his records, officers or employees except in connection with the proceeding involving taxes due under Laws 1971, Chapter 853 *this chapter*. Nothing herein contained should be construed to prohibit the publishing of statistics so classified as not to disclose the identity of particular purchasers' certificates and the contents thereof. Any person violating the provisions of this section shall be guilty of a gross misdemeanor.

Sec. 26. Minnesota Statutes 1976, Chapter 297B, is amended by adding a section to read:

[297B.20] [TITLE.] *Sections 11 and 12 may be cited as the "energy conservation transportation excise tax act".*

Sec. 27. Minnesota Statutes 1976, Chapter 297B, is amended by adding a section to read:

[297B.21] [ADDITIONAL EXCISE TAX IMPOSED.] *Subdivision 1. There is hereby imposed an excise tax at the rates provided in subdivision 2 on the first purchaser of any passenger automobile or station wagon, as defined in Minnesota Statutes, Section 168.011, Subdivisions 7 and 23, manufactured after July 31, 1978, purchased or acquired either in or outside of the state of Minnesota, which is required to be registered under the laws of this state.*

Subd. 2. The tax imposed by subdivision 1 shall be based on the mileage estimate for combined city and highway driving found in the new car label required by the federal environmental protection agency or its successor organization.

Subd. 3. The tax imposed by subdivision 1 shall be determined in accordance with the following schedule:

Gas Mileage

<i>Under 12</i>	<i>\$200</i>
<i>Under 14</i>	<i>\$150</i>
<i>Under 16</i>	<i>\$100</i>
<i>Under 18</i>	<i>\$ 75</i>
<i>18 or higher</i>	<i>\$ 0</i>

Subd. 4. The tax imposed by subdivision 1 shall be in addition to the tax imposed by Minnesota Statutes, Section 297B.02.

Subd. 5. If a passenger car or station wagon subject to the tax imposed by this section has been or is subject to a similar excise tax based on fuel consumption in another state in respect of its sale or use, in an amount less than the tax imposed by this section, the provisions of this section shall apply, but the tax shall be in the amount of the difference between the amount of tax in the other state and the amount imposed by this section. If the amount of tax imposed by the other state is the same or more than the amount of tax imposed by this section, then no tax shall be due under this section. The provisions of this subdivision shall apply only if the other state allows a credit with respect to the excise tax imposed by this section which is substantially similar in effect to the credit allowed in this subdivision."

Page 20, line 18, strike "17" and insert "18"

Page 20, line 22, strike "18" and insert "19"

Page 20, line 26, strike "19" and insert "20"

Renumber the sections in sequence

Amend the title as follows:

Line 14, after "systems;" insert "creating an additional tax on certain motor vehicles based on fuel consumption; providing that such tax not be deductible from income tax;"

Line 20, after the semicolon, insert "297B.01, Subdivisions 1 and 8; 297B.06; 297B.07; 297B.08; 297B.09; 297B.10; 297B.11; 297B.12; Chapter 297B, by adding sections;"

Mr. Tennessen moved to amend the Humphrey amendment to H. F. No. 522, adopted by the Senate May 18, 1977, as follows:

Section 27 of the Humphrey amendment, in Subdivision 3, strike "Under 12" and insert "Less than 12"

strike "Under 14" and insert "12 but less than 14"

strike "Under 16" and insert "14 but less than 16"

strike "Under 18" and insert "16 but less than 18"

The motion prevailed. So the amendment to the Humphrey amendment was adopted.

Pursuant to Rule 21, Mr. McCutcheon moved that the following members be excused for a Conference Committee on H. F. No. 1475:

Messrs. McCutcheon, Johnson, Hanson, Stokowski and Peterson. The motion prevailed.

The question was taken on the adoption of the Humphrey amendment as amended.

The roll was called, and there were yeas 27 and nays 34, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Kirchner	Perpich	Stokowski
Benedict	Gunderson	Knoll	Peterson	Stumpf
Borden	Hughes	Luther	Schaaf	Vega
Coleman	Humphrey	McCutcheon	Sikorski	
Davies	Johnson	Milton	Spear	
Dieterich	Keefe, S.	Nelson	Staples	

Those who voted in the negative were:

Anderson	Hanson	Moe	Purfeerst	Strand
Bang	Kleinbaum	Nichols	Renneke	Tennessen
Bernhagen	Knutson	Ogdahl	Schrom	Ueland, A.
Brataas	Laufenburger	Olhoft	Setzerpandt	Ulland, J.
Chmielewski	Lessard	Olson	Sieloff	Wegener
Engler	Lewis	Penny	Sillers	Willet
Gearty	Menning	Pillsbury	Solon	

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

Mr. Olson moved to amend H. F. No. 522, as amended pursuant to Rule 49, adopted by the Senate May 17, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 669.)

Page 18, line 18, after "to" and before "solar" insert "equipment installed within Minnesota after December 31, 1976, exclusively to prevent pollution of air, water, or land, and to"

Page 18, line 22, strike "for the construction or installation of a solar"

Page 18, line 23, strike "collector subsystem"

The motion prevailed. So the amendment was adopted.

Mr. Ashbach moved to amend H. F. No. 522, as amended pursuant to Rule 49, adopted by the Senate May 17, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 669.)

Page 18, after line 24 insert:

"Sec. 17. Minnesota Statutes 1976, 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 or use of a commuter van as defined in section 221.011, subdivision 22, clause (1)."

Renumber the remaining sections.

Page 20, line 18 delete "17" and insert "18"

Page 20, line 22 delete "18" and insert "19"

Page 20, line 26 delete "19" and insert "20"

Further amend the title as follows:

Page 1, line 14 after the first semicolon insert "exempting certain vehicles from motor vehicle excise tax;"

Page 1, line 19 delete "and"

Page 1, line 20, after the semicolon insert "and 297B.03;"

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

Mr. Knutson moved to amend H. F. No. 522, as amended pursuant to Rule 49, adopted by the Senate May 17, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 669.)

Page 10, line 20, strike "a subdivision" and insert "subdivisions"

Page 10, after line 26, insert:

"Subd. 12a. Gas burning lamps used for security purposes, when they are located 100 feet or more from street lamps, may be used as long as the existing lamps last, but shall not be replaced by gas burning lamps."

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

Mr. Olson moved to amend H. F. No. 522, as amended pursuant to Rule 49, adopted by the Senate, May 17, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 669.)

Page 10; line 22, strike ", cooking"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 23, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Menning	Purfeerst	Ueland, A.
Bang	Jensen	Nichols	Schmitz	Wegener
Benedict	Kirchner	Olson	Schrom	Willet
Brataas	Knutson	Penny	Setzepfandt	
Chmielewski	Lessard	Perpich	Sieloff	
Frederick	Lewis	Pillsbury	Staples	

Those who voted in the negative were:

Anderson	Gearty	Milton	Sillers	Tennessee
Bernhagen	Hughes	Moe	Spear	Ulland, J.
Coleman	Keefe, J.	Nelson	Stokowski	Vega
Davies	Keefe, S.	Ogdahl	Strand	
Dieterich	Knoll	Sikorski	Stumpf	

The motion prevailed. So the amendment was adopted.

Mr. Nichols moved to amend H. F. No. 522, as amended pursuant to Rule 49, adopted by the Senate, May 17, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 669.)

Pages 1 to 6, strike sections 1 to 4

Page 20, line 3, strike "sections" and insert "section"

Page 20, line 4, strike "1 to 4 and 13" and insert "9"

Page 20, line 6, strike "7" and insert "3"

Page 20, line 15, strike "14" and insert "10"

Page 20, line 18, strike "17" and insert "13"

Page 20, line 22, strike "18" and insert "14"

Page 20, line 26, strike "19" and insert "15"

Page 20, line 31, strike "; except that section 2, subdivision 2, is"

Page 20, strike line 32 except for the period

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, strike "extending the application of"

Page 1, strike line 3

Page 1, line 4, strike "counties;"

Page 1, line 15, strike "16.84; 16.851; 16.86,"

Page 1, line 16, strike "Subdivision 4;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 26 and nays 39, as follows:

Those who voted in the affirmative were:

Ashbach	Hanson	Moe	Renneke	Wegener
Chmielewski	Jensen	Nichols	Schmitz	Willet
Dunn	Knutson	Olhoff	Schrom	
Engler	Lessard	Olson	Setzepfandt	
Frederick	Lewis	Penny	Strand	
Gunderson	Menning	Peterson	Ueland, A.	

Those who voted in the negative were:

Anderson	Dieterich	Kleinbaum	Perpich	Spear
Bang	Gearty	Knoll	Pillsbury	Staples
Benedict	Hughes	Luther	Purfeerst	Stokowski
Bernhagen	Humphrey	McCutcheon	Schaaf	Stumpf
Borden	Johnson	Merriam	Sieloff	Tennessen
Brataas	Keefe, J.	Milton	Sikorski	Ulland, J.
Coleman	Keefe, S.	Nelson	Sillers	Vega
Davies	Kirchner	Ogdahl	Solon	

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

H. F. No. 522 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 52 and nays 10, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Kleinbaum	Perpich	Stokowski
Ashbach	Frederick	Knoll	Pillsbury	Strand
Bang	Gearty	Luther	Purfeerst	Stumpf
Benedict	Gunderson	McCutcheon	Schaaf	Tennessee
Bernhagen	Hanson	Menning	Schmitz	Ueland, A.
Borden	Hughes	Merriam	Sieloff	Ulland, J.
Brataas	Humphrey	Milton	Sikorski	Vega
Coleman	Johnson	Nelson	Sillers	Willet
Davies	Keefe, J.	Ogdahl	Solon	
Dieterich	Keefe, S.	Olhoff	Spear	
Dunn	Kirchner	Penny	Staples	

Those who voted in the negative were:

Chmielewski	Knutson	Nichols	Renneke	Setzepfandt
Jensen	Lessard	Peterson	Schrom	Wegener

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

Without objection, the Senate reverted to the Order of Business of Messages From the House, First Reading of House Bills, Reports of Committees and Second Reading of House Bills.

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. 743: A bill for an act relating to health; establishing a health program for pre-school children; providing for payments to school districts; appropriating money.

Senate File No. 743 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1977

Mr. Milton moved that the Senate do not concur in the amendments by the House to S. F. No. 743 and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 1337: A bill for an act relating to state employees; providing for wage and fringe benefits for certain state employees;

ratifying collective bargaining agreements; providing emergency rule making authority; increasing salary ranges; appropriating money; amending Minnesota Statutes 1976, Chapter 43, by adding a section; Sections 43.09, Subdivision 3; 43.12, Subdivisions 2, 3, 5, 6, 7, 8, 10, 11, 14, 16, 17, and 18, and by adding a subdivision; 43.121, Subdivision 3; 43.122, Subdivision 3, and by adding a subdivision; 43.126, Subdivision 1; 43.323, by adding a subdivision; 43.42; 43.44, Subdivision 1; 43.46; and 43.50, Subdivision 1; repealing Minnesota Statutes 1976, Sections 43.09, Subdivision 7; and 43.12, Subdivisions 4 and 9.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1977

Mr. Nelson moved that the Senate do not concur in the amendments by the House to S. F. No. 1337 and that a Conference Committee of 5 members be appointed by the Subcommittee 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 that the House refuses to concur in the Senate amendments to House File No. 415:

H. F. No. 415: A bill for an act relating to collection and dissemination of data; clarifying information practices; defining terms; prescribing remedies; prescribing penalties; appropriating money; amending Minnesota Statutes 1976, Sections 15.1642; 15.165; Chapters 15, by adding sections; and 138, by adding a section; repealing Minnesota Statutes 1976, Sections 15.162; 15.163; 15.1641; 15.166; 15.167; 15.1671; 15.169; 15.17; 15.171; 15.172; 15.173; 15.174; 138.161; 138.162; 138.163; 138.17; 138.18; 138.19; 138.20; 138.21; and 138.22.

And the House respectfully requests that a Conference Committee of five members be appointed thereon.

Hokanson, Beauchamp, Berglin, Sieben, H., and Dean have been appointed as such committee on the part of the House.

House File No. 415 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 May 18, 1977

Mr. Tennesen moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 415, and that a Conference Committee of 5 members be appointed by the Subcommittee 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. 980:

H. F. No. 980: A bill for an act relating to public health; regulations for the preservation of public health; authorizing the state board of health to regulate the establishment, operation and maintenance of certain non-hospital clinical laboratories; amending Minnesota Statutes 1976, Section 144.12, Subdivision 1.

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

Scheidt, Carlson, L. and Heinitz have been appointed as such committee on the part of the House.

House File No. 980 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 May 18, 1977

Mr. Vega moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 980, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 848:

H. F. No. 848: A bill for an act relating to retirement; Minneapolis municipal employees retirement fund; miscellaneous amendments; establishment of a coordinated program; amending Minnesota Statutes 1976, Sections 422A.01, by adding subdivisions; 422A.06, Subdivision 6; 422A.08, Subdivisions 2 and 5; 422A.09, Subdivision 3; 422A.16, by adding a subdivision; 422A.18, Subdivision 2; 422A.23, Subdivision 7, and by adding a subdivision; and Chapters 355, by adding sections; and 422A, by adding sections.

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

Patton, Moe and Reding have been appointed as such committee on the part of the House.

House File No. 848 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 May 18, 1977

Mr. Stokowski moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 848, and that

a Conference Committee of 3 members be appointed by the Subcommittee 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 File, herewith transmitted:

H. F. No. 1252

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1977

FIRST READING OF HOUSE BILLS

The following bill was read the first time and referred to the committee indicated.

H. F. No. 1252: A bill for an act relating to the Minnesota state water pollution control fund; clarifying eligibility for 15 percent matching grants financed by the fund; eliminating certain matching grants; authorizing the issuance of Minnesota state water pollution control bonds; appropriating money; amending Minnesota Statutes 1976, Sections 116.16, Subdivision 6; and 116.18, Subdivisions 1 and 4.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1444 now on Special Orders.

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 were referred

H. F. Nos. 1052, 938 and 1300 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1052	1058				
938	958				
1300	1360				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No 1052 be amended as follows:

Page 3, line 6, delete the second "and"

Page 5, line 23, delete "personnel" and insert "personal"

Page 6, line 15, delete the comma after "grants"

Page 9, delete line 9 and insert "section 402.01;"

Page 9, line 16, delete the comma after "24"

And when so amended, H. F. No. 1052 will be identical to S. F. No. 1058 and further recommends that H. F. No. 1052 be given its second reading and substituted for S. F. No. 1058 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 938 be amended as follows:

Page 1, line 22, strike everything after the period

Page 1, strike line 23

Page 2, strike line 1

Page 2, line 31 to page 3, line 7, delete the new language and restore the stricken language and delete the headnotes on page 2, lines 31 and 32 and page 3, line 4

Page 3, line 8, delete "4" and insert "3"

Page 3, line 23, delete everything after the period

Page 3, delete lines 24 to 29 and insert "No county turnback funds shall be disbursed until a plan is approved by the department of transportation."

Page 4, delete lines 5 and 6 and insert "Section 2 is effective upon its approval by the city council of the city of Saint Paul and upon compliance with Minnesota Statutes, Section 645.021."

Further amend the title in line 2 after "county" by inserting "and the city of Saint Paul"

And when so amended, H. F. No. 938 will be identical to S. F. No. 958 and further recommends that H. F. No. 938 be given its second reading and substituted for S. F. No. 958 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1300 be amended as follows:

Delete page 1, line 13 to page 15, line 4 and insert

"Section 1. [4.35] [TRAIL PLANNING.] *The state planning agency, in cooperation with the commissioner of natural resources, metropolitan council, and commissioner of transportation, shall review and coordinate plans for trails acquisition and development and trail development grants pursuant to sections 2 of this act, 85.015, 85.016, 5 of this act, 473.147, and 473.301 to 473.341.*

Sec. 2. [4.36] [GRANTS-IN-AID FOR RECREATIONAL BETTERMENT.] *Subdivision 1. [DEFINITIONS.] For purposes of this section, the following terms have the meanings set forth, except as otherwise expressly provided or indicated by the context.*

(a) "Athletic courts" means special surface areas and supporting equipment or structures such as nets, hoops, and walls

which can be used for active games that have definite boundaries and are played on a marked surface, limited to basketball, volleyball, handball and tennis.

(b) "Metropolitan council" and "metropolitan area" have the meanings given them in section 473.121.

(c) "Units of government" means any county, city and home rule charter city, town, school district, public post-secondary educational institution, special park district, or any elected park and recreation board having control over parks, parkways, playgrounds, and trees in a city of the first class.

Subd. 2. [GRANTS FOR PARKS AND TRAILS.] The state planning agency shall administer a program to provide grants to units of government located within standard metropolitan statistical areas, as designated by the United States office of management and budget, but outside of the metropolitan area defined in section 473.121. The grants shall be for acquisition and betterment by units of government of public land and improvements needed for parks, trails, conservatories, zoos and other special use facilities having recreational significance for the entire population of the particular standard metropolitan statistical area. Appropriations made for this purpose shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commission regarding the expenditures. The local contribution required shall be identical to that required by the legislative commission on Minnesota resources for grants-in-aid for recreation open space of regional significance. The program shall be administered so as to ensure the maximum possible use of available federal money.

Subd. 3. [GRANTS FOR TRAILS IN LOCAL PARKS.] The state planning agency shall administer a program to provide grants to units of government for the betterment of public land and improvements needed for recreational trails in parks owned and operated by units of government. A grant shall not exceed 40 percent of the costs of the betterment of the trail. To be eligible for a grant, a unit of government must provide at least ten percent of the costs of the betterment of the trail.

Subd. 4. [GRANTS FOR LOCAL OUTDOOR ATHLETIC COURTS.] The state planning agency shall administer a program to provide grants to units of government for the betterment of public land and improvements needed for local athletic courts. A grant shall not exceed 50 percent of the costs of the betterment of the athletic court. To be eligible for a grant, a unit of government must provide at least 50 percent of the costs of the betterment of the athletic court. In making grants the agency shall consider, among other factors, evidence of cooperation between units of government, local need and available financial resources, and court locations that encourage maximum use, patronage, and availability.

Subd. 5. [POWERS; RULES.] The director of the state plan-

ning agency shall have all powers necessary and convenient in order to establish programs for recreational betterment grants-in-aid for parks, trails, and athletic courts pursuant to this section including, but not limited to, the authority to adopt rules and regulations for the programs, pursuant to chapter 15, and emergency rules and regulations to commence immediately the programs, pursuant to section 15.0412.

Sec. 3. Minnesota Statutes 1976, Section 85.016, is amended to read:

85.016 [BICYCLE TRAIL PROGRAM.] The commissioner of natural resources shall develop establish a program for an inter-connecting statewide system the development of bicycle trails utilizing both the state trails authorized by section 85.015, other state parks and recreation land, and state forests and existing and proposed local bicycle trails. "Bicycle trails", as used in this section, includes bicycle lanes and bicycle ways as those terms are used in sections 160.263 and 160.264. The program shall be coordinated with the local park trail grant program established by the state planning agency pursuant to section 2 of this act, with the bicycle trail program established by the commissioner of transportation pursuant to section 5 of this act, and with existing and proposed local bicycle trails. In the metropolitan area as defined in section 473.121, the program shall be developed in accordance with plans and priorities established by the metropolitan council. In addition The commissioner shall provide technical assistance to local units of government in planning and developing bicycle trail systems trails in local parks. The state bicycle trail program shall, as a minimum, describe the location, design, construction, maintenance and land acquisition needs of each component trail and shall give due consideration to the model standards for the establishment of recreational vehicle lanes promulgated by the commissioner of transportation pursuant to section 160.262. The program shall include a proposal for a system of state aid to localities. The proposal for a system of state aid to localities shall include a provision that the amount of aid apportioned to a locality will depend, in part, upon the numbers of bicycles registered in the locality. The program shall be developed after consultation with the state trail council and regional and local units of government and bicyclists organizations.

Sec. 4. Minnesota Statutes 1976, Chapter 85, is amended by adding a section to read:

[85.017] [TRAIL REGISTRY.] The commissioner of natural resources shall compile and maintain a current registry of cross-country skiing, hiking, horseback riding and snowmobiling trails in the state and shall publish and distribute the information in the manner prescribed in section 86A.11. The metropolitan council, the state planning agency, the Minnesota historical society, and local units of government shall cooperate with and assist the commissioner in preparing the registry.

Sec. 5. [160.265] [BICYCLE TRAIL PROGRAM.] Subdivision 1. [STATE BICYCLE TRAILS.] The commissioner of transport-

ation shall establish a program for the development of bicycle trails primarily on existing road rights of way. "Bicycle trails", as used in this section, includes bicycle lanes and bicycle ways as those terms are used in sections 160.263 and 160.264. The program shall include a system of bicycle trails to be established, developed, maintained, and operated by the commissioner of transportation and a system of state grants for the development of local bicycle trails primarily on existing road rights of way. The program shall be coordinated with the local park trail grant program established by the state planning agency pursuant to section 2 of this act, with the bicycle trail program established by the commissioner of natural resources pursuant to section 85.016, with the development of the statewide transportation plan pursuant to section 174.03, and with existing and proposed local bicycle trails. In the metropolitan area as defined in section 473.121, the program shall be developed in accordance with plans and priorities established by the metropolitan council. The program shall be developed after consultation with the state trail council, local units of government, and bicyclist organizations. The program shall be administered in accordance with the provisions of sections 160.262 to 160.264 and standards promulgated pursuant thereto. The commissioner shall compile and maintain a current registry of bicycle trails in the state and shall publish and distribute the information contained in the registry in a form and manner suitable to assist persons wishing to use the trails. The metropolitan council, the commissioner of natural resources, the state planning agency, the Minnesota historical society, and local units of government shall cooperate with and assist the commissioner of transportation in preparing the registry. The commissioner shall have all powers necessary and convenient to establish the program pursuant to this section including but not limited to the authority to adopt rules pursuant to chapter 15.

Subd. 2. [LOCAL BICYCLE TRAIL GRANTS.] The commissioner shall provide technical assistance to local units of government in planning and developing bicycle trails. The commissioner shall make grants to units of government as defined in section 2, subdivision 1, for the betterment of public land and improvements needed for local bicycle trails. In making grants the commissioner shall consider, among other factors, the number of registered bicycles in the localities. A grant shall not exceed 75 percent of the costs of the betterment of the bicycle trail. To be eligible for a grant, a unit of government must provide at least 25 percent of the costs of the betterment of the trail. The commissioner may adopt emergency rules pursuant to section 15.0412 to commence the grant program immediately."

Page 16, delete lines 15 to 23 and insert

"Sec. 10. [BOND SALE.] To provide the money appropriated in the following sections of this act, the commissioner of finance, upon request of the governor, shall sell and issue bonds of the state in the amount of \$62,500,000 in the manner and upon the terms prescribed by sections 16A.63 to 16A.67 and by the Minnesota Constitution, Article XI, Sections 4 to 7.

Sec. 11. [APPROPRIATIONS.] *The sums set forth in the following sections of this act are appropriated from the Minnesota state building fund to the agencies indicated for the acquisition and betterment of public outdoor recreation lands and capital improvements as more specifically described in the following sections of this act.*

Sec. 12. [PARK, TRAIL, AND ATHLETIC COURT GRANTS.] *Subdivision 1. The sums set forth in this section are appropriated to the state planning agency for the purposes indicated.*

[TOTAL APPROPRIATED \$5,100,000]

Subd. 2. *Park and trail grants, pursuant to section 2, subdivision 2* \$2,500,000

\$1,750,000 of this appropriation shall be used for grants for acquisition of parks and trails. \$750,000 of this appropriation shall be used for grants for betterment of parks, trails, conservatories, zoos and other special use facilities.

Subd. 3. *Grants for trails within local parks, pursuant to section 2, subdivision 3* 1,300,000

\$650,000 of this appropriation shall be used for grants to units of government in the metropolitan area in accordance with priorities established by the metropolitan council and the agency. \$650,000 of this appropriation shall be used for grants to units of government outside the metropolitan area.

Subd. 4. *Local athletic court grants, pursuant to section 2, subdivision 4* 1,300,000

\$650,000 of this appropriation shall be used for grants to units of government in the metropolitan area in accordance with priorities established by the metropolitan council and the agency. \$650,000 of this appropriation shall be used for grants to units of government outside the metropolitan area.

Subd. 5. *Of the sums appropriated by this section, not more than five percent may be expended by the director for staff and independent professional services needed for the grant programs. The approved complement of the state planning agency is increased by three persons.*

Sec. 13. [NATURAL RESOURCES ACQUISITION AND BETTERMENT.] *Subdivision 1. The sums set forth in this section are appropriated to the commissioner of natural resources, except as otherwise indicated, for the purposes indicated in this section. All acquisition shall be in accordance with the policies established in sections 86A.01 to 86A.09. Lands acquired for a unit of the outdoor recreation system shall be suited to accomplish the purposes for which the unit is established and suited to be managed in accordance with the management principles ap-*

plicable to the unit. Lands shall be acquired by the commissioner of administration for the commissioner of natural resources where provided by law.

[TOTAL APPROPRIATED: \$25,300,000]

Subd. 2. For acquisition of state parks and recreation areas, as listed and described in sections 85.012 and 85.013 \$7,783,000

First priority for acquisitions shall be given to land within existing statutory boundaries where the property is needed for immediate development in order to accomplish the purposes for which the unit is authorized, or where the anticipated use of the property is incompatible with the purposes for which the unit is authorized, or where the market value of comparable property in vicinity of the property to be acquired has risen more than ten percent in each of the previous two years.

Subd. 3. For acquisition of state trails, as listed and described in section 85.015, and pursuant to section 84.029, subdivision 2 1,805,000

For betterment of the trails 2,000,000

No further expenditure of money for the development of the Luce Line Trail shall be made until the commissioner of natural resources has prepared a comprehensive fiscal management plan covering all costs associated with development of the trail, submitted the plan to the house environment and natural resources committee, the house appropriations committee and the senate finance committee for the purpose of consultation, and received their recommendations thereon. The recommendations are advisory only.

Subd. 4. For betterment of public land and improvements needed for trails for skiing, hiking, and bicycling within state parks and recreation areas as listed and described in sections 85.012 and 85.013 and state forests, as listed and described in section 89.021 1,105,000

Subd. 5. For acquisition of state forests, as listed and described in section 89.021 2,760,000

Priority shall first be given to acquiring the remaining lands in the Sand Dunes and Memorial Hardwood state forests and then to lands particularly suited for use as state forest campgrounds or day use areas and to lands within state forests that possess outstanding natural or scenic values, forest growth, lake or river shoreland, or rare and distinctive species of flora and fauna native to the area, that should be preserved for the benefit of the public. None of the money appropriated by this subdivision shall be obligated or expended for the acquisition, development or maintenance of state forests

without prior express approval of the legislative commission on Minnesota's resources.

Subd. 6. For acquisition of fishing management lands, comprising lands and riparian rights and other interests therein needed for management of waters for primary wildlife use and benefit and for access to fishing waters pursuant to section 97.48, subdivisions 8, 11 and 15 \$1,008,000

Subd. 7. For acquisition of state wildlife management areas, acquired pursuant to section 97.48, subdivision 13 or section 97.481 1,500,000

For betterment of these areas 1,500,000

Acquisition shall be limited to wildlife lands and waters that are of high priority because they are critical to the functioning of a unit already in public ownership, or are threatened with development that is incompatible with preservation of the area for wildlife management, or are situated in an area where the market value of comparable property has risen more than ten percent in each of the previous two years, and that can be acquired from a willing seller.

Subd. 8. For acquisition of wild, scenic and recreational rivers, designated pursuant to sections 104.25 to 104.40, and canoe and boating routes, portages, and camp sites, as listed and described in section 85.32 1,706,000

Subd. 9. For acquisition of scientific and natural areas designated pursuant to section 84.033 338,000

Subd. 10. For costs of staff and independent professional services necessary to the acquisition and betterment of these lands and improvements 3,795,000

The approved complement of the department of natural resources is increased by . . . persons.

Sec. 14. [BICYCLE TRAIL GRANTS.] Subdivision 1. The sums set forth in this section are appropriated to the commissioner of transportation for the purposes indicated.

[TOTAL APPROPRIATED \$4,800,000]

Subd. 2. For betterment of public land and improvements needed for state bicycle trails primarily on existing road rights of way pursuant to section 5, subdivision 1, of this act 2,700,000

Subd. 3. Local bicycle trail grants, pursuant to section 5, subdivision 2, of this act 2,100,000

\$700,000 of this appropriation shall be used for grants to units of government in the metropolitan area, in accordance with the priorities established by the metropolitan council. \$1,400,000 of this appropriation shall

be used for grants to units of government outside the metropolitan area.

Subd. 4. [GRANT PROGRAM ADMINISTRATION.] Of the amounts appropriated by subdivision 2, not more than 15 percent, and of the amounts appropriated by subdivision 3, not more than five percent, may be expended by the commissioner for staff and independent professional services needed for the grant program. The approved complement of the department of transportation is increased by . . . persons.

Sec. 15. [METROPOLITAN PARKS AND TRAILS.] Subdivision 1. The sums set forth in this section are appropriated to the director of the state planning agency for payment to the metropolitan council established under section 473.123. The money shall be paid to the metropolitan council upon receipt by the agency of a resolution of the council requesting payment.

[TOTAL APPROPRIATED \$27,300,000]

Subd. 2. Parks and trails \$24,000,000

This appropriation shall be used to pay the cost of the acquisition and betterment by the metropolitan council and local government units of regional recreation open space in accordance with the council's policy plan, as provided in sections 473.301 to 473.341. The money is available for payment of relocation costs and tax equivalents required in sections 473.315 and 473.341. Of the amount appropriated by this subdivision, the metropolitan council may expend no more than \$200,000 for staff and independent professional services necessary for the acquisition and betterment of this open space and for the performance of duties of the metropolitan council under this section and sections 1, 12, and 14.

Subd. 3. Trails in parks 2,200,000

This appropriation shall be used to pay the cost of betterment by the metropolitan council and local government units of public land and improvements needed for trails situated within regional parks and park reserves in accordance with the council's policy plan, as provided in sections 473.301 to 473.341. None of the money may be used for acquisition of land, for relocation payments under section 473.315, or for tax equivalents under section 473.341.

Subd. 4. Trail corridors 1,100,000

This appropriation shall be used to pay the cost of acquisition and betterment by the metropolitan council and local government units of public land and improvements needed for regional trails and trail corridors situated outside of regional parks and park reserves, in accordance with the council's policy plan, as provided in sections 473.301 to 473.341. The money is

available for payment of relocation costs and tax equivalents required in section 473.315 and 473.341."

Renumber sections in sequence

Further, amend the title as follows

Delete lines 6 to 10 and insert

"amending Minnesota Statutes 1976, Sections 85.016; 473.121, Subdivision 14; 473.302; 473.303, by adding a subdivision; 473.315, Subdivision 1; and Chapter 85, by adding a section."

And when so amended, H. F. No. 1300 will be identical to S. F. No. 1360 and further recommends that H. F. No. 1300 be given its second reading and substituted for S. F. No. 1360 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. 1052, 938 and 1300 were read the second time.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Luther moved that the name of Mr. Willet be added as co-author to S. F. No. 1. The motion prevailed.

Mr. Knoll moved that H. F. No. 772 be withdrawn from the Committee on Finance and re-referred to the Committee on Rules and Administration. The motion prevailed.

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

Mr. Tennessen moved that S. F. No. 709 be taken from the table. The motion prevailed.

S. F. No. 709: A bill for an act relating to the Hennepin county municipal court; clarifying fee exclusions for governmental units; amending Minnesota Statutes 1976, Section 488A.03, Subdivision 11a.

CONCURRENCE AND REPASSAGE

Mr. Tennessen moved that the Senate concur in the amendments by the House to S. F. No. 709 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 709: A bill for an act relating to the Hennepin county

municipal court fees; amending Minnesota Statutes 1976, Section 488A.03, by adding a subdivision.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 43 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Lessard	Pillsbury	Stumpf
Ashbach	Engler	Lewis	Renneke	Tennessee
Benedict	Frederick	Luther	Schaaf	Ueland, A.
Bernhagen	Gearty	Menning	Schmitz	Ulland, J.
Borden	Jensen	Merriam	Schrom	Vega
Chmielewski	Keefe, S.	Nelson	Setzepfandt	Wegener
Coleman	Kirchner	Olhoft	Sieloff	Willet
Davies	Kleinbaum	Penny	Sillers	
Dieterich	Knutson	Perpich	Spear	

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

CALL OF THE SENATE

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

Anderson	Engler	Lewis	Renneke	Stumpf
Ashbach	Frederick	Luther	Schaaf	Tennessee
Benedict	Gearty	Menning	Schmitz	Ueland, A.
Bernhagen	Jensen	Merriam	Schrom	Ulland, J.
Chmielewski	Keefe, S.	Moe	Setzepfandt	Vega
Coleman	Kirchner	Nelson	Sieloff	Wegener
Davies	Kleinbaum	Olhoft	Sikorski	Willet
Dieterich	Knutson	Penny	Sillers	
Dunn	Lessard	Pillsbury	Spear	

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

RECONSIDERATION

Mr. Anderson moved that the vote whereby S. F. No. 1 failed to pass the Senate on May 16, 1977, be now reconsidered.

The question was taken on the adoption of the motion.

Mr. Luther moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 30 and nays 21, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Merriam	Perpich	Sillers
Benedict	Dunn	Moe	Pillsbury	Spear
Bernhagen	Gunderson	Nelson	Schaaf	Strand
Borden	Keefe, S.	Nichols	Setzepfandt	Tennessee
Coleman	Lewis	Olhoft	Sieloff	Ulland, J.
Davies	Luther	Penny	Sikorski	Willet

Those who voted in the negative were:

Ashbach	Frederick	Lessard	Schmitz	Wegener
Bang	Gerty	Menning	Schrom	
Brataas	Jensen	Ogdahl	Stumpf	
Chmielewski	Kirchner	Purfeerst	Ueland, A.	
Engler	Knutson	Renneke	Vega	

The motion prevailed.

Mr. Luther moved that S. F. No. 1 be laid on the table. The motion prevailed.

Without objection, the Senate reverted to the Order of Business of Reports of Committees.

REPORTS OF COMMITTEES

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

Mr. Coleman from the Subcommittee on Bill Scheduling, to which were referred

S. F. Nos. 464, 1199, 707, 336, 1071, 1530, 263, 80, 883, 691, 455, 185, 615, 100 and 703, makes the following report:

That S. F. Nos. 464, 1199, 707, 336, 1071, 1530, 263, 80, 883, 691, 455, 185, 615, 100 and 703 be placed on the General Orders Calendar in the order indicated.

That there were no other bills before the subcommittee on which floor action was requested. Report adopted.

APPOINTMENTS

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

H. F. No. 415, pursuant to the request of the House:

Messrs. Tennessen; Nelson; Keefe, J.; Merriam, and Davies.

H. F. No. 848, pursuant to the request of the House:

Messrs. Stokowski, Renneke, and Strand.

S. F. No. 1337, pursuant to the request of the Senate:

Messrs. Nelson, Moe, Penny, Coleman, and Ogdahl.

H. F. No. 980, pursuant to the request of the House:

Messrs. Vega, Perpich, and Mrs. Brataas.

S. F. No. 743, pursuant to the request of the Senate:

Messrs. Milton, Sikorski, and Keefe, J.

S. F. No. 649, pursuant to the request of the Senate:

Messrs. Chmielewski, Hanson, and Ueland, A.

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Hughes moved that H. F. No. 613 be withdrawn from the Committee on Finance and re-referred to the Committee on Rules and Administration for comparison with S. F. No. 599. The motion prevailed.

Mr. Coleman moved that the Senate do now adjourn until 9:00 o'clock a.m., Thursday, May 19, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FIFTY-EIGHTH DAY

St. Paul, Minnesota, Thursday, May 19, 1977

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. The following Senators answered to their names:

Ashbach	Gerty	Luther	Purfeerst	Stokowski
Bernhagen	Gunderson	Milton	Schmitz	Strand
Brataas	Hughes	Nelson	Setzepfandt	Stumpf
Coleman	Jensen	Olhoft	Sikorski	Tennessee
Dieterich	Johnson	Olson	Sillers	Ueland, A.
Dunn	Keefe, S.	Penny	Solon	Ulland, J.
Engler	Kirchner	Peterson	Spear	Vega
Frederick	Kleinbaum	Pillsbury	Staples	Wegener

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

Prayer was offered by the Chaplain, Divinity student, Kevin McDonough.

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

Anderson	Frederick	Laufenburger	Penny	Spear
Ashbach	Gerty	Lesard	Perpich	Staples
Bang	Gunderson	Lewis	Peterson	Stokowski
Benedict	Hanson	Luther	Pillsbury	Strand
Bernhagen	Hughes	McCutcheon	Purfeerst	Stumpf
Borden	Humphrey	Menning	Renneke	Tennessee
Brataas	Jensen	Merriam	Schaaf	Ueland, A.
Chenoweth	Johnson	Milton	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Moe	Schrom	Vega
Coleman	Keefe, S.	Nelson	Setzepfandt	Wegener
Davies	Kirchner	Nichols	Sieloff	Willet
Dieterich	Kleinbaum	Ogdahl	Sikorski	
Dunn	Knoll	Olhoft	Sillers	
Engler	Knuteon	Olson	Solon	

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. Hanson and McCutcheon were excused from the early

part of today's Session. Mr. Knutson was excused from this morning's Session.

Pursuant to Rule 21, Mr. Tennessen moved that the following members be excused for a Conference Committee on H. F. No. 415 at 9:30 a.m.:

Messrs. Tennessen, Davies, Nelson, Merriam and Keefe, J. The motion prevailed.

Pursuant to Rule 21, Mr. McCutcheon moved that the following members be excused for a Conference Committee on H. F. No. 1475:

Messrs. McCutcheon, Johnson, Hanson, Stokowski and Peterson. The motion prevailed.

Pursuant to Rule 21, Mr. Kleinbaum moved that the following members be excused for a Conference Committee on H. F. No. 1610:

Messrs. Kleinbaum, Schaaf, Purfeerst and Ogdahl. The motion prevailed.

Pursuant to Rule 21, Mr. Vega moved that the following members be excused for a Conference Committee on H. F. No. 980:

Messrs. Vega, Perpich and Mrs. Brataas. The motion prevailed.

Pursuant to Rule 21, Mr. Knoll moved that the following members be excused for a Conference Committee on H. F. No. 875:

Messrs. Knoll, Willet and Anderson. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Knutson and Milton introduced—

S. F. No. 1540: A bill for an act relating to the mentally ill; permitting the lease of Hastings state hospital facilities; providing for the leasing of metropolitan excess hospital bed space; amending Minnesota Statutes 1976, Section 253.015.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Keefe, S.; Nelson; Ogdahl and Kleinbaum introduced—

S. F. No. 1541: A bill for an act relating to labor; providing for agricultural labor; defining unfair labor practices; regulating agricultural employers and employees; creating a board; providing for representation elections; providing for investigations and hearings; providing for court review; providing penalties; providing an appropriation.

Referred to the Committee on Employment.

Messrs. Keefe, S. and Johnson introduced—

S. F. No. 1542: A bill for an act relating to labor; limiting the amount of weight an employee can be required to lift to 75 pounds; prescribing a penalty.

Referred to the Committee on Employment.

Messrs. Peterson, Laufenburger, Kleinbaum, Dunn and Keefe, S. introduced—

S. F. No. 1543: A bill for an act relating to unemployment compensation; making certain daytime activity center teachers ineligible for benefits during certain periods; amending Minnesota Statutes 1976, Section 268.08, Subdivision 5.

Referred to the Committee on Employment.

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. 1087.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1977

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. 73: A bill for an act relating to weather modification; prohibiting the use of cloud seeding apparatus located on the ground; prescribing a penalty.

Senate File No. 73 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1977

Mr. Nichols moved that the Senate do not concur in the amendments by the House to S. F. No. 73 and that a Conference Committee of 5 members be appointed by the Subcommittee 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. 311: A bill for an act relating to courts; providing for the selection of chief judges; permitting the assignment of judges to serve in other judicial districts; prescribing duties of the chief justice; providing for the rotation of the duties of family court in Hennepin county; providing for the rotation of the duties of juvenile court in Hennepin and Ramsey counties; prescribing duties of the supreme court administrator; providing continuous terms of court; providing for the payment of judges' salaries and expenses; abolishing de novo jurisdiction of district courts when hearing appeals; creating the office of district administrator; abolishing the office of justice of the peace; providing for appellate panels in district court; providing for the compensation of certain judges upon compliance with certain provisions of the law; amending Minnesota Statutes 1976, Sections 2.724; 260.021, Subdivisions 2 and 3; 480.15, by adding subdivisions; 480.17; 480.18; 484.08; 484.34; 484.54; 484.62; 484.63; 484.65, Subdivisions 1 and 6; 484.66; 485.01; 485.018, by adding a subdivision; 487.01, Subdivisions 1, 3, 5 and 6; 487.02, Subdivision 1; 487.08; 487.25, Subdivision 6; 487.35, Subdivision 1; 487.39; 488.20; 488A.01, Subdivision 10 and by adding a subdivision; 488A.021, Subdivision 8; 488A.10, Subdivisions 1 and 6; 488.111; 488A.12, Subdivision 5; 488A.18, Subdivision 11 and by adding a subdivision; 488A.19, Subdivision 10; 488A.27, Subdivisions 1 and 6; 488A.281; 488A.29, Subdivision 5; and 525.081, Subdivision 7; Chapters 480, by adding a section; 484, by adding a section; 487, by adding a section; and Laws 1977, Chapter 35, Section 18; repealing Minnesota Statutes 1976, Sections 484.05; 484.09; 484.10; 484.11; 484.12; 484.13; 484.14; 484.15; 484.16; 484.17; 484.18; 484.28; 484.29; 484.47; 485.02; 487.03, Subdivision 4; 487.10, Subdivision 6; 487.35, Subdivisions 2, 3, 4, 5 and 6; 487.39, Subdivision 3; 487.41; 488A.01, Subdivision 11; 488A.021, Subdivision 7; 488A.18, Subdivision 12; 488A.19, Subdivisions 8 and 9; 490.124, Subdivision 7; and Chapters 530; 531; 532; and 633.

Senate File No. 311 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1977

Mr. Tennessen moved that the Senate do not concur in the amendments by the House to S. F. No. 311 and that a Conference Committee of 3 members be appointed by the Subcommittee 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 that the House has adopted the recommendation and report of the Conference Committee on House File No. 176 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 176: A bill for an act relating to drivers licenses; providing that nonqualification certificates may be issued to applicants who are 14 years of age or older; amending Minnesota Statutes 1976, Section 171.07, Subdivision 3.

Senate File No. 176 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 18, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 176

A bill for an act relating to drivers licenses; providing that nonqualification certificates may be issued to applicants who are 14 years of age or older; amending Minnesota Statutes 1976, Section 171.07, Subdivision 3.

May 17, 1977

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

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 176, report that we have agreed upon the items in dispute and recommend as follows:

That the House accede to the Senate amendments, and H. F. No. 176 be further amended as follows:

Page 1, line 18, strike "nonqualification"

Page 1, line 19, before the period, strike "certificate" and insert "*Minnesota identification card*"

Page 1, line 19, after "The" strike "certificate" and insert "*card*"

Page 2, line 2, strike "nonqualification certificate" and insert "*Minnesota identification card*"

Page 2, line 4, after the period insert "*The fee for a Minnesota identification card issued to any person who is mentally retarded, as defined in section 252A.02, subdivision 2, shall be 50 cents.*"

Page 2, after line 4, insert:

"Sec. 2. Minnesota Statutes 1976, Section 171.07, Subdivision 4, is amended to read:

Subd. 4. The expiration date of each ~~nonqualification certificate~~ *Minnesota identification cards* of applicants under the age of 65 shall be the birthday of the applicant in the fourth year following the date of issuance of the ~~nonqualification certificate card~~ *Minnesota identification cards*. ~~Non-qualification certificates~~ *Minnesota identification cards* issued to applicants age 65 or over shall be valid for the lifetime of the applicant.

Sec. 3. Minnesota Statutes 1976, Section 171.07, Subdivision 5, is amended to read:

Subd. 5. The department may provide a donor document to each person making application for a driver's license or a ~~non-qualification certificate~~ *Minnesota identification card* whereby any such person, 18 years of age or more, may execute an anatomical gift, pursuant to the provisions of the uniform anatomical gift act, sections 525.921 to 525.93. The commissioner of public safety shall prescribe the form of the donor document. The donor document must be signed by the donor in the presence of two witnesses who must sign the donor document in the donor's presence. If the donor cannot sign, the donor document may be signed for the donor at the donor's direction, in the donor's presence, and in the presence of two witnesses who must sign the donor document in the donor's presence. The department shall identify donors of anatomical gifts by the designation "donor" on the front side of the donor's driver's license or ~~nonqualification certificate~~ *Minnesota identification card*. The designation "donor" shall constitute sufficient legal authority for the removal of all body organs or parts upon death of the donor for the purpose of transplantation and the designation shall be removed only upon written notice to the department. No designation may be noted upon the driver's license or ~~nonqualification certificate~~ *Minnesota identification card* of any person under 18. Delivery of the license or ~~nonqualification certificate~~ *Minnesota identification card* during the donor's lifetime is not necessary to make the gift valid.

Sec. 4. Minnesota Statutes 1976, Section 340.039, is amended to read:

340.039 [DRIVER'S LICENSE OR MINNESOTA IDENTIFICATION CARD.] Proof of age for purposes of consuming, purchasing, or possessing an alcoholic beverage, the consumption, sale, or possession of which is regulated by age, may only be established by a valid driver's license or a current ~~nonqualification certificate~~ *Minnesota identification card* issued pursuant to Minnesota Statutes 1974, section 171.07."

Renumber the remaining section

Further, amend the title as follows:

Page 1, line 3, delete "nonqualification certificates" and insert "Minnesota identification cards and the use thereof"

Page 1, line 5, delete "Section" and insert "Sections"

Page 1, line 6, delete "Subdivision 3" and insert "Subdivisions 3, 4 and 5; and 340.039"

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

House Conferees: (Signed) Wayne A. Simoneau, Thomas R. Berkelman, Kenneth P. Zubay.

Senate Conferees: (Signed) Eugene E. Stokowski, Marion Menning, Howard D. Olson.

Mr. Stokowski moved that the foregoing recommendations and Conference Committee Report on H. F. No. 176 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. 176: A bill for an act relating to drivers licenses; providing for the issuance of Minnesota identification cards and the use thereof; amending Minnesota Statutes 1976, Sections 171.07, Subdivisions 3, 4 and 5; and 340.039.

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

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

The roll was called, and there were yeas 39 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Moe	Pillsbury	Stokowski
Bang	Jensen	Nelson	Renneke	Strand
Brataas	Johnson	Nichols	Schmitz	Stumpf
Chmielewski	Keefe, S.	Olhoff	Setzepfandt	Tennessee
Coleman	Lewis	Olson	Sikorski	Ueland, A.
Dieterich	Luther	Penny	Sillers	Vega
Dunn	Menning	Perpich	Spear	Wegener
Engler	Milton	Peterson	Staples	

Mr. Schrom 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 recommendation and report of the Conference Committee on House File No. 324 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 324: A bill for an act relating to sheriffs; fees and mileage allowance; amending Minnesota Statutes 1976, Section 357.09, Subdivisions 1, 2, and 4; repealing Minnesota Statutes 1976, Sections 357.09, Subdivision 5; and 357.10.

Senate File No. 324 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 324

A bill for an act relating to sheriffs; fees and mileage allowance; amending Minnesota Statutes 1976, Section 357.09, Subdivisions 1, 2, and 4; repealing Minnesota Statutes 1976, Sections 357.09, Subdivision 5; and 357.10.

May 16, 1977

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

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 324 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. 324 be amended as follows:

Page 4, line 16; strike "of", delete "20", and insert "provided pursuant to section 43.327, plus four"

Page 4, line 16, after "mile" insert "notwithstanding any other provisions of law to the contrary"

Page 5, after line 3, insert

"Sec. 5. Section 357.09 shall not relate to or affect the fees of the sheriff of Ramsey county.

Sec. 6. [SPECIAL LAWS SUPERSEDED.] All special laws relating to sheriffs' fees and mileage allowance which are inconsistent with the provisions of this act are superseded to the extent of the inconsistency."

Amend the title as follows:

Page 1, line 2, after "sheriffs;" insert "increasing certain"

Page 1, line 2, delete "allowance" and insert "allowances"

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

House Conferees: (Signed) John T. Clawson, Ted Suss, Robert Anderson.

Senate Conferees: (Signed) Robert J. Schmitz, Wayne Olhoft, Robert G. Dunn.

Mr. Schmitz moved that the foregoing recommendations and Conference Committee Report on H. F. No. 324 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. 324: A bill for an act relating to sheriffs; increasing certain fees and mileage allowances; amending Minnesota Statutes 1976, Section 357.09, Subdivisions 1, 2, and 4; repealing Minnesota Statutes 1976, Sections 357.09, Subdivision 5; and 357.10.

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

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

The roll was called, and there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Moe	Renneke	Stokowski
Bang	Gunderson	Nelson	Schmitz	Strand
Bernhagen	Jensen	Nichols	Schrom	Stumpf
Brataas	Johnson	Olhoff	Setzepfandt	Tennessen
Chmielewski	Keefe, S.	Olson	Sikoraki	Ueland, A.
Coleman	Lewis	Penny	Sillers	Ulland, J.
Dieterich	Luther	Perpich	Solon	Vega
Dunn	Menning	Peterson	Spear	Wegener
Engler	Milton	Pillsbury	Staples	

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 refuses to concur in the Senate amendments to House File No. 562.

H. F. No. 562: A bill for an act relating to motor vehicles; requiring informational labels on new pickup trucks; providing penalties.

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

Prahl, Biersdorf and Stanton have been appointed as such committee on the part of the House.

House File No. 562 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 May 18, 1977

Mr. Lessard moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 562, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 1054.

H. F. No. 1054: A bill for an act relating to welfare; aid to families with dependent children; changing certain eligibility qualifications; amending Minnesota Statutes 1976, Sections 256.73, Subdivisions 1, 2, 4, and by adding subdivisions; and 256.79.

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

Brandl, Rice and Forsythe have been appointed as such committee on the part of the House.

House File No. 1054 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 May 18, 1977

Mr. Tennesen moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1054, and that a Conference Committee of 3 members be appointed by the Subcommittee 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 Senate File No. 826 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 826: A bill for an act relating to seaway port authorities; personnel; contracts; authorizing port authorities to employ a certified public accountant to audit the books of the authority and authorizing the state auditor to accept such audits in lieu of his audit; amending Minnesota Statutes 1976, Section 458.18.

Senate File No. 826 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1977

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. 1489 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 1489: A bill for an act relating to the organization and operation of state government; appropriating money for maintenance of various semi-state activities and for other purposes; amending Minnesota Statutes 1976, Sections 139.08, Subdivision 5; 139.10, by adding a subdivision; 343.08; 343.12; 346.216; Chapter 139, by adding a section; repealing Minnesota Statutes 1976, Sections 343.02; and 343.03.

Senate File No. 1489 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1977

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. 695: A bill for an act relating to the Como Park zoo; requiring 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 1976, Chapter 473, by adding a section.

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

Wynia, Casserly and Pehler.

Senate File No. 695 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1977

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. 743: A bill for an act relating to health; establishing a health program for pre-school children; providing for payments to school districts; appropriating money.

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

Byrne, Faricy and Carlson, A.

Senate File No. 743 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1977

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. 49 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 49: A bill for an act relating to business or agricultural loans; rate of interest therein; amending Minnesota Statutes 1976, Section 334.011, Subdivisions 1 and 4.

Senate File No. 49 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1977

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. 597: A bill for an act relating to game and fish; requiring a migratory waterfowl stamp; providing for the disposition of proceeds; appropriating funds; amending Minnesota Statutes 1976, Chapter 97, by adding sections; Sections 98.46, Subdivision 2a; and 98.50, Subdivision 5.

Senate File No. 597 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1977

Mr. Coleman, for Mr. Merriam, moved that S. F. No. 597 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. Coleman from the Committee on Rules and Administration to which were referred

H. F. Nos. 723, 613 and 1630 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
723	675				
1630	1521				
613	599				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 723 be amended as follows:

Page 2, line 1, after "to" insert "the"

Page 4, delete lines 1 to 7

Renumber the sections in sequence

Further, amend the title as follows

Lines 4 and 5, delete "appropriating funds;"

And when so amended, H. F. No. 723 will be identical to S. F. No. 675 and further recommends that H. F. No. 723 be given its second reading and substituted for S. F. No. 675 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1630 be amended as follows:

Page 3, line 27, before "county" insert "commissioner of agriculture, upon recommendation of the"

Page 3, line 28, after the period insert "The commissioner, upon recommendation of"

Page 3, line 29, after "officer" insert a comma

Page 5, delete lines 17 to 20

Page 5, line 21, delete "6 and 7" and insert "and 6"

And when so amended, H. F. No. 1630 will be identical to S. F. No. 1521 and further recommends that H. F. No. 1630 be given its second reading and substituted for S. F. No. 1521 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 613 be amended as follows:

Page 1, line 12, after "office." insert "The office shall be under the supervision and administration of an executive director to be appointed by the governor and hereinafter referred to as "director". The director shall be regarded as an employee of the governor."

Page 1, line 17, delete "office" and insert "director"

Page 1, after line 18 insert

"Subd. 2. The director may recommend standards and guidelines relating to the establishment and use of volunteer programs and the training and supervision of volunteer personnel. The director may assist in establishing volunteer programs in the state."

Page 1, line 19, delete "office" and insert "director"

Page 1, line 23, delete "office" and insert "director" and after "accept" insert "and disburse"

Page 2, line 3, delete "office" and insert "director"

Page 2, line 5, delete "office" and insert "director"

Page 2, delete lines 7 to 14 and insert

"Subd. 6. The governor shall appoint an advisory committee of not more than 21 members, at least one member from each economic development region, to advise and make recommendations to him and the director of volunteer services. Notwithstanding this numerical limitation, members currently serving on an advisory group to the governor's office of volunteer services shall complete their prescribed terms of office; thereafter, appointments of successors shall be made so as to be consistent with the numerical limitation contained in this section. Membership terms, compensation, removal and filling of vacancies of members of the

advisory committee shall be as provided in section 15.059; provided, that members shall not be eligible for a per diem.

Sec. 2. The office and position of executive director created pursuant to this act shall be deemed to supersede and replace the "governor's office of volunteer services" created pursuant to executive order of the governor."

Re-number the subdivisions accordingly

Page 2, line 16, delete "office" and insert "director"

Page 2, line 17, delete "\$200,000" and insert "289,000 for the biennium beginning July 1, 1977,"

Re-number the sections in order

And when so amended, H. F. No. 613 will be identical to S. F. No. 599 and further recommends that H. F. No. 613 be given its second reading and substituted for S. F. No. 599 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. 167, 1060, and 1252 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
167	1486				
1060	227				
1252	1444				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 167 be amended as follows:

Page 1, line 13, delete "liability"

Page 1, line 14, delete "for all" and insert "to foster parents to cover their liability for acts of their foster children residing in"

Page 1, line 15 delete "or," and insert " , or"

Page 1, line 17, before the period insert: "*to the extent that the liability is not covered by the provisions of the standard homeowner's or automobile insurance policy. The insurance shall not cover property owned by the foster parents, damage caused intentionally by a child over 12 years of age, or property damage arising out of business pursuits or the operation of any vehicle, machinery, or equipment*"

Page 1, line 21, before the period insert: "*to be available until June 3, 1979*"

And when so amended, H. F. No. 167 will be identical to S. F. No. 1486 and further recommends that H. F. No. 167 be given its second reading and substituted for S. F. No. 1486 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1060 be amended as follows:

Page 3, after line 4, insert:

"Sec. 2. Minnesota Statutes 1976, Section 147.31, is amended to read:

147.31 [BONDS] The higher education coordinating board is authorized to issue revenue bonds, notes, bond anticipation notes and refunding revenue bonds in accordance with and pursuant to the provisions on revenue bonds for student loans contained in chapter 136A for the purpose of securing funds necessary for renewing loans to medical and osteopathic students and \$120,000 \$144,000 per year for new loans for the program authorized pursuant to sections 147.30 to 147.33. Such bonds may be issued and secured in all respects as provided in the said chapter 136A and sections 147.30 to 147.33. The higher education coordinating board is authorized to issue its revenue bonds to refund any revenue bonds issued under the provisions of sections 147.30 to 147.33, such refunding to be accomplished in accordance with the applicable provisions of chapter 136A, the provisions of sections 147.30 to 147.33 and the provisions of the resolution authorizing the bonds to be refunded."

Page 3, line 5, delete "2" and insert "3" and delete "June" and insert "July"

Further, amend the title as follows:

Page 1, line 5, delete "Section" and insert "Sections"

Page 1, line 5, before the period insert "and 147.31"

And when so amended, H. F. No. 1060 will be identical to S. F. No. 227 and further recommends that H. F. No. 1060 be given its second reading and substituted for S. F. No. 227 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1252 be amended as follows:

Page 2, delete lines 7 to 15 and insert:

"No municipality except the metropolitan waste control commission created by section 473.503 shall be eligible to construct more than one wastewater treatment facility using state grants financed through the Minnesota state water pollution control fund unless other facilities are needed to abate an immediate health hazard."

And when so amended, H. F. No. 1252 will be identical to S. F. No. 1444 and further recommends that H. F. No. 1252 be given its second reading and substituted for S. F. No. 1444 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. 723, 1630, 613, 167, 1060 and 1252 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Chmielewski moved that S. F. No. 1029 be taken from the table. The motion prevailed.

S. F. No. 1029: 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 1976, Sections 116A.01, Subdivisions 1, 1a, 2 and 4, and by adding a subdivision; 116A.02, by adding a subdivision; 116A.09; 116A.11, Subdivision 4; 116A.12, by adding a subdivision; 116A.16; 116A.17, Subdivision 2; 116A.20, Subdivisions 2 and 6; and 116A.24, Subdivisions 1, 2 and 3.

CONCURRENCE AND REPASSAGE

Mr. Chmielewski moved that the Senate concur in the amendments by the House to S. F. No. 1029 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1029: 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 1976, Sections 116A.01, Subdivisions 1, 1a, 2 and 4; 116A.02, by adding a subdivision; 116A.09; 116A.11, Subdivision 4; 116A.12, by adding a subdivision; 116A.16; 116A.20, Subdivisions 2 and 6; and 116A.24, Subdivisions 1, 2 and 3; 375.18, Subdivision 9; repealing Minnesota Statutes 1976, Section 116A.24, Subdivision 4.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 43 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Menning	Pillsbury	Stokowski
Bang	Gearty	Milton	Renneke	Strand
Benedict	Hughes	Moe	Schrom	Stumpf
Bernhagen	Jensen	Nichols	Setzerfandt	Ueland, A.
Chmielewski	Johnson	Olhoft	Sieloff	Ulland, J.
Coleman	Keefe, S.	Olson	Sillers	Vega
Dieterich	Lessard	Penny	Solon	Wegener
Dunn	Lewis	Perpich	Spear	
Engler	Luther	Peterson	Staples	

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

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 932 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 932

A bill for an act relating to motor vehicles; registration and taxation; increasing fees for filing applications; amending Minnesota Statutes 1976, Section 168.33, Subdivisions 2 and 7.

May 16, 1977

The Honorable Edward J. Gearty
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 House recede from its amendments and S. F. No. 932 be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1976, Section 168.29, is amended to read:

168.29 [DUPLICATE PLATES.] In the event of the defacement, loss or destruction of any number plates, the registrar, upon receiving and filing a sworn statement of the vehicle owner, setting forth the circumstances of the defacement, loss, destruction or theft of the number plates, together with any defaced plates and the payment of the fee of \$3 shall issue a new set of plates, *provided that if the \$3 fee exceeds the annual tax, the fee shall be the same as the annual tax.* The registrar shall then note on his records the issue of such new number plates and shall proceed in such manner as he may deem advisable to cancel and call in the original plates so as to insure against their use on another motor vehicle. Duplicate registration certificates plainly marked as duplicates may be issued in like cases upon the payment of a 50 cent fee.

Sec. 2. Minnesota Statutes 1976, Section 168.33, Subdivision 2, is amended to read:

Subd. 2. [POWERS.] The registrar shall have the power to appoint, hire and discharge and fix the compensation of the necessary employees, in the manner provided by law, as may be required to enable him to properly carry out the duties imposed upon him by the provisions of this chapter. As of April 14, 1976, the registrar may appoint, and for cause discontinue, a deputy registrar for any city as the public interest and convenience may require, without regard to whether the county auditor of the county in which the city is situated has been appointed as the deputy registrar for the county or has been discontinued as the deputy registrar for the county, and without regard to whether the county in which the city is situated has established a county license bureau which issues motor vehicle licenses as provided in section 373.32.

Effective August 1, 1976, the registrar may appoint, and for

cause discontinue, a deputy registrar for any city as the public interest and convenience may require, if the auditor for the county in which the city is situated chooses not to accept appointment as the deputy registrar for the county or is discontinued as a deputy registrar, or if the county in which the city is situated has not established a county license bureau which issues motor vehicle license as provided in section 373.32. Any person appointed as a deputy registrar for any city shall be a resident of the county in which the city is situated.

The registrar may appoint, and for cause discontinue, the county auditor of each county as a deputy registrar. The auditor, with the approval of the director of motor vehicles, may appoint, and for cause discontinue, the clerk or equivalent officer of each city or any other person as a deputy registrar as public interest and convenience may require. Notwithstanding any other provision, a person other than a county auditor or a director of a county license bureau, who was appointed by the registrar before August 1, 1976, as a deputy registrar for any city, may continue to serve as deputy registrar and may be discontinued for cause only by the registrar. The county auditor shall be responsible for the acts of deputy registrars appointed by him. Each such deputy, before entering upon the discharge of his duties, shall take and subscribe an oath to faithfully discharge his duties and to uphold the laws of the state. If a deputy registrar appointed hereunder is not an officer or employee of a county or city, such deputy shall in addition give bond to the state in the sum of \$10,000, or such larger sum as may be required by the registrar, conditioned upon the faithful discharge of his duties as deputy registrar. Each deputy registrar appointed hereunder shall keep and maintain, in a convenient public place within the place for which he is appointed, a registration and motor vehicle tax collection bureau, to be approved by the registrar, for the registration of motor vehicles and the collection of motor vehicle taxes thereon. He shall keep such records and make such reports to the registrar as that officer, from time to time, may require. Such records shall be maintained at the facility of the deputy registrar. The records and facilities of the deputy registrar shall at all times be open to the inspection of the registrar or his agents. He shall charge and receive for each application presented a filing fee of \$1, and shall report daily to the registrar all registrations made and taxes and fees collected by him. The filing fee of \$1 imposed pursuant to subdivision 7 shall be deposited in the treasury of the place for which he is appointed, or if such deputy is not a public official, he shall retain the filing fee, but the registration tax and any additional fees for delayed registration he has collected he shall deposit each day in an approved state depository to the credit of the state through the state treasurer. The place for which the deputy registrar is appointed through its governing body shall provide the deputy registrar with facilities and personnel to carry out the duties imposed by this subdivision if such deputy is a public official. In all other cases, the deputy shall maintain a suitable facility for serving the public.

Sec. 3. Minnesota Statutes 1976, Section 168.33, Subdivision 7, is amended to read:

Subd. 7. [FILING FEES.] The registrar shall charge and receive for each application presented through the United States mail a filing fee of 50 cents and for each application at the state office a filing fee of \$1. Such fee shall be in addition to all other statutory fees and taxes, a filing fee is imposed on every application. The filing fee shall be \$1.50 effective August 1, 1977, and \$1.75 effective January 1, 1979. The filing fee shall be shown as a separate item on all registration renewal notices sent out by the department of public safety.

Sec. 4. [EFFECTIVE DATES.] Section 1 is effective the day following its final enactment. The remaining provisions of this act are effective August 1, 1977."

Further, amend the title by deleting it in its entirety and inserting:

"A bill for an act relating to motor vehicles; registration and taxation; increasing filing fees for certain applications; reducing fees for duplicate plates under certain circumstances; amending Minnesota Statutes 1976, Sections 168.29; and 168.33, Subdivisions 2 and 7."

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

Senate Conferees: (Signed) Mike Menning, Howard A. Knutson, Howard D. Olson.

House Conferees: (Signed) C. Thomas Osthoff, Russell P. Stanton, Henry J. Kalis.

Mr. Menning moved that the foregoing recommendations and Conference Committee Report 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 motor vehicles; registration and taxation; increasing fees for filing applications; amending Minnesota Statutes 1976, Section 168.33, Subdivisions 2 and 7.

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

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

The roll was called, and there were yeas 40 and nays 12, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Menning	Purfeerst	Staples
Bang	Gearty	Nichols	Renneke	Stokowski
Benedict	Gunderson	Ogdahl	Schaaf	Strand
Borden	Hughes	Olhoft	Schmitz	Ueland, A.
Chmielewski	Johnson	Olson	Setzpfandt	Ulland, J.
Coleman	Keefe, S.	Penny	Sikoraki	Vega
Dunn	Kleinbaum	Peterson	Sillers	Wegener
Engler	Knoll	Pillsbury	Solon	Willet

Those who voted in the negative were:

Ashbach
Dieterich
Jensen

Lewis
Luther
Milton

Moe
Perpich

Schrom
Sieloff

Spear
Stumpf

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

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 1290 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1290

A bill for an act relating to juveniles; prescribing venue for neglect cases; amending Minnesota Statutes 1976, Section 260.121, Subdivision 1.

May 16, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 1290, 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. 1290 be amended as follows:

Page 1, after line 19, insert:

“Sec. 2. Minnesota Statutes 1976, Section 260.015, Subdivision 17, is amended to read:

Subd. 17. “Shelter care facility” means a physically unrestricting detention facility, such as a group home or a licensed facility for foster care, excluding a detention home.

Sec. 3. Minnesota Statutes 1976, Section 260.171, Subdivision 1, is amended to read:

260.171 [RELEASE OR DETENTION.] Subdivision 1. If a child is taken into custody as provided in section 260.165, the parent, guardian, or custodian of the child shall be notified as soon as possible. Unless there is reason to believe that the child would physically endanger himself or others, not return for a court hearing, not remain in the care or control of the person to whose lawful custody he is released, or that the child's health or welfare would be immediately endangered, the child shall be *released to the* custody of his parent, guardian, custodian, or other suitable person. That person shall promise to bring the child to the court, if necessary, at the time the court may direct. If the person taking the child into custody believes it desirable he may request the parent, guardian, custodian, or other person designated by the court to sign a written

promise to bring the child to court as provided above. The intentional violation of such a promise, whether given orally or in writing, shall be punishable as contempt of court.

The court may require the parent, guardian, custodian or other person to whom the child is released, to post any reasonable bail or bond required by the court which shall be forfeited to the court if the child does not appear as directed. The court may also release the child on his own promise to appear in Juvenile Court.

Sec. 4. Minnesota Statutes 1976, Section 260.171, Subdivision 2, is amended to read:

Subd. 2. If the child is not released as provided in subdivision 1, the person taking the child into custody shall notify the court as soon as possible of the detention of the child and the reasons for detention. No child may be detained in a detention facility longer than 24 hours, excluding *Saturdays*, *Sundays* and holidays, after the taking into custody unless an order for detention, specifying the reason for detention, is signed by the judge or referee. No child may be held longer than 36 hours, excluding *Saturdays*, *Sundays* or holidays, after the taking into custody unless a petition has been filed and the judge or referee determines pursuant to section 260.172 that the child shall remain in detention. If a child described in section 260.173, subdivision 4, is to be detained in a jail up to 48 hours, the judge or referee, in accordance with rules and procedures established by the commissioner of corrections, shall notify the commissioner of the place of the detention and the reasons therefor. The commissioner shall thereupon assist the court in the relocation of the child in an appropriate detention facility within the county or elsewhere in the state, or in determining suitable alternatives. If approved regional juvenile detention facilities exist, the commissioner may direct that the child be detained in the nearest approved regional juvenile detention facility. If the court refers the matter to the prosecuting authority pursuant to section 260.125, notice to the commissioner shall not be required.

Sec. 5. Minnesota Statutes 1976, Section 260.171, Subdivision 4, is amended to read:

Subd. 4. If the person who has taken the child into custody determines that the child should be placed in a detention facility, he shall advise the child and as soon as is possible, the child's parent, guardian, or custodian:

(a) of the reasons why the child has been taken into custody and why he is being placed in a detention facility; and

(b) of the location of the detention facility; and

(c) that the child's parent, guardian, or custodian and attorney may make an initial visit to the detention facility at any time. Subsequent visits by a parent, guardian, or custodian may be made on a reasonable basis during visiting hours and by the child's attorney at reasonable hours; and

(d) that the child may telephone his parents and an attorney from the detention facility immediately after being admitted to the

detention facility and thereafter on a reasonable basis to be determined by the director of the facility; and

(e) that the child may not be held at the detention facility longer than 36 hours, excluding *Saturdays*, *Sundays* and holidays, unless a petition has been filed within that time and the court orders the child's continued detention.

Sec. 6. Minnesota Statutes 1976, Section 260.172, Subdivision 1, is amended to read:

260.172 [DETENTION HEARING.] Subdivision 1. Within 36 hours of a child's being taken into custody, excluding *Saturdays*, *Sundays* and holidays, a hearing shall be held to determine whether the child should continue in detention. Unless there is reason to believe that the child would be dangerous to endanger himself or others, not return for a court hearing, not remain in the care or control of the person to whose lawful custody he is released, or that the child's health or welfare would be immediately endangered, the child shall be released to the custody of his parent, guardian, custodian or other suitable person.

Sec. 7. Minnesota Statutes 1976, Section 260.172, Subdivision 2, is amended to read:

Subd. 2. If the court determines that the child should continue in detention, it may order detention continued for eight days, excluding *Saturdays*, *Sundays* and holidays, from and including the date of the order. The court shall include in its order the reasons for continued detention and the findings of fact which support these reasons.

Sec. 8. Minnesota Statutes 1976, Section 260.172, Subdivision 3, is amended to read:

Subd. 3. Copies of the court's order shall be served upon the parties, including the supervisor of the detention facility, who shall release the child or continue to hold him as the court orders.

When the court's order is served upon these parties, notice shall also be given to the parties of the subsequent reviews provided by subdivision 4. The notice shall also inform each party that he may submit to the court for informal review any new evidence regarding whether the child should be continued in detention and that he may request a hearing to present the evidence to the court.

Sec. 9. Minnesota Statutes 1976, Section 260.172, Subdivision 4, is amended to read:

Subd. 4. If a child held in detention under a court order issued under subdivision 2 has not been released prior to expiration of the order, ~~an additional hearing~~ *the court or referee shall informally review the child's case file to determine, under the standards provided by subdivision 1, shall be held to determine whether detention should be continued. If detention is continued thereafter, hearings informal reviews* such as these shall be held within every eight days, excluding *Saturdays*, *Sundays* and holidays, of the child's detention.

A hearing, rather than an informal review of the child's case file, shall be held at the request of any one of the parties notified pursuant to subdivision 3, if that party notifies the court that he wishes to present to the court new evidence concerning whether the child should be continued in detention."

Further, amend the title as follows:

Page 1, line 3, after the semicolon insert "providing limitations on procedures for juvenile detention;"

Page 1, line 4, delete "Section" and insert "Sections 260.015, Subdivision 17;" and after "1" insert "; 260.171, Subdivisions 1, 2, and 4; and 260.172"

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

Senate Conferees: (Signed) Emily Anne Staples, Allan H. Spear, John B. Keefe.

House Conferees: (Signed) Ken G. Nelson, Shirley A. Hokanson, Mary M. Forsythe.

Mrs. Staples moved that the foregoing recommendations and Conference Committee Report on S. F. No. 1290 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. 1290: A bill for an act relating to juveniles; prescribing venue for neglect cases; amending Minnesota Statutes 1976; Section 260.121, Subdivision 1.

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

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

The roll was called, and there were yeas 37 and nays 9, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Milton	Schaaf	Stokowski
Bang	Hughes	Moe	Setzeopfandt	Strand
Benedict	Jensen	Nichols	Sieloff	Stumpf
Borden	Keefe, S.	Ogdahl	Sikorski	Ueland, A.
Coleman	Kirchner	Olhoft	Sillers	Wegener
Dieterich	Kleinbaum	Olson	Solon	
Dunn	Lewis	Penny	Spear	
Gearty	Luther	Pillsbury	Staples	

Those who voted in the negative were:

Chmielewski	Frederick	Menning	Schmitz	Ulland, J.
Engler	Lessard	Renneke	Schrom	

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

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 875 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 875

A bill for an act relating to the county of Hennepin; changing duties of personnel board; providing for referral of additional eligible names to fill vacancies; amending Laws 1965, Chapter 855, Section 4, Subdivision 2.

May 17, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 875 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. 875 be amended as follows:

Page 3, line 4, delete "five" and insert "seven"

We request adoption of this report and repassage of the bill.
Senate Conferees: (Signed) Emily Anne Staples, Myrton O. Wegener, Hubert H. Humphrey III.

House Conferees: (Signed) Arne H. Carlson, John E. Brandl, Janet H. Clark.

Mrs. Staples moved that the foregoing recommendations and Conference Committee Report on S. F. No. 875 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. 875: A bill for an act relating to the county of Hennepin; changing duties of personnel board; providing for referral of additional eligible names to fill vacancies; amending Laws 1965, Chapter 855, Section 4, Subdivision 2.

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

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

Mr. Ulland, J. moved that those not voting be excused from voting. The motion did not prevail.

The roll was called, and there were yeas 35 and nays 18, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Lewis	Olhoff	Spear
Benedict	Hughes	Luther	Penny	Staples
Borden	Johnson	McCutcheon	Peterson	Stokowski
Coleman	Keefe, S.	Menning	Pillsbury	Strand
Dieterich	Kleinbaum	Milton	Schaaf	Stumpf
Gearty	Knoll	Moe	Schmitz	Wegener
Gunderson	Lessard	Nichols	Sikorski	Willet

Those who voted in the negative were:

Ashbach	Engler	Ogdahl	Schrom	Ueland, A.
Bang	Frederick	Olson	Setzenfandt	Ulland, J.
Chmielewski	Jensen	Purfeerst	Sieloff	
Dunn	Kirchner	Renneke	Sillers	

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

Pursuant to Rule 21, Mr. Merriam moved that the following members be excused for a Conference Committee on S. F. No. 876:

Messrs. Olhoff, Dunn, Luther, Anderson and Merriam. The motion prevailed.

Pursuant to Rule 21, Mr. Humphrey moved that the following members be excused for a Conference Committee on S. F. No. 1467:

Messrs. Humphrey, Willet, Dunn, Borden and Solon. The motion prevailed.

Pursuant to Rule 21, Mr. Humphrey moved that the following members be excused for a Conference Committee on H. F. No. 256:

Messrs. Humphrey, Sikorski and Kirchner. The motion prevailed.

Pursuant to Rule 21, Mr. Humphrey moved that the following members be excused for a Conference Committee on H. F. No. 398:

Messrs. Humphrey, Willet and Bernhagen. The motion prevailed.

Pursuant to Rule 21, Mr. Stumpf moved that the following members be excused for a Conference Committee on S. F. No. 695:

Messrs. Stumpf, Lewis and Sieloff. The motion prevailed.

Pursuant to Rule 21, Mr. Borden moved that the following members be excused for a Conference Committee on H. F. No. 415:

Messrs. Borden, Kleinbaum, Davies, Bang and Solon. The motion prevailed.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the General Orders Calendar and waive the lie-over requirements. 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 Mr. Gearty reported that the committee had considered the following:

H. F. Nos. 756 and 1283, which the committee recommends to pass.

S. F. No. 1300 which the committee recommends be returned to its author.

H. F. No. 530 which the committee recommends to pass, subject to the following motion:

Mr. Luther moved that the amendment made to H. F. No. 530 by the Committee on Rules and Administration in the report adopted May 11, 1977, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 823, which the committee recommends to pass with the following amendments offered by Mr. Nichols:

Mr. Nichols moved to amend H. F. No. 823 as follows:

Page 1, after line 22, insert:

"Prior to January 31, 1978, the state board of health shall adopt rules pursuant to chapter 15 concerning the installation and use of plastic water well casing pipes and couplings."

Mr. Nichols then moved to amend H. F. No. 823 as follows:

Page 1, after line 22, insert:

"Sec. 2. This act applies only to the counties of Traverse, Grant, Douglas, Stevens, Pope, Big Stone, Swift, Lac qui Parle, Chippewa, Kandiyohi, Yellow Medicine, Renville, Lincoln, Lyon, Pipestone, Murray, Rock, and Nobles."

Page 2, line 1, strike *"bill shall become"* and insert *"act is"*

Renumber the sections in sequence

Amend the title as follows:

Line 3, after *"casings"* insert *"in certain counties"*

On motion of Mr. Coleman, 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 12:30 p.m. The motion prevailed.

The hour of 12:30 o'clock p.m. having arrived, the President called the Senate to order.

Pursuant to Rule 21, Mr. Sikorski moved that the following members be excused for a Conference Committee on S. F. No. 743:

Messrs. Milton and Sikorski from 1:00 to 1:45 p.m. The motion prevailed.

CALL OF THE SENATE

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

Anderson	Gunderson	Luther	Peterson	Spear
Bang	Hanson	Menning	Pillsbury	Stumpf
Benedict	Johnson	Merriam	Purfeerst	Tennessen
Chenoweth	Keefe, S.	Milton	Schmitz	Vega
Chmielewski	Kirchner	Nelson	Setzpfandt	Willet
Coleman	Kleinbaum	Olson	Sieloff	
Dunn	Knoll	Penny	Sikorski	
Gearty	Lessard	Perpich	Sillers	

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 559 a Special Order to be heard immediately.

H. F. No. 559: A bill for an act relating to education; higher education coordinating board; student financial aid; changing certain requirements for scholarships, aids and grants to students; increasing the bonding and loan making authority of the board; transferring the program of nursing student grants to the board; appropriating money; amending Minnesota Statutes 1976, Sections 124.48; 136A.121; 136A.144; 136A.16, Subdivisions 3, 4, 6 and 7; 136A.17, Subdivisions 3, 4, 5, 6, 7 and 8; 136A.171; 136A.233; and Chapter 136A, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knoll	Olhoff	Spear
Ashbach	Frederick	Knutson	Penny	Staples
Benedict	Gearty	Laufenburger	Perpich	Strand
Bernhagen	Gunderson	Lessard	Peterson	Stumpf
Brataas	Hanson	Luther	Pillsbury	Tennessen
Chenoweth	Hughes	McCutcheon	Purfeerst	Ueland, A.
Chmielewski	Humphrey	Menning	Renneke	Uland, J.
Coleman	Jensen	Merriam	Schmitz	Vega
Davies	Johnson	Moe	Setzpfandt	Willet
Dieterich	Keefe, S.	Nelson	Sieloff	
Dunn	Kirchner	Nichols	Sillers	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcom-

mittee on Bill Scheduling, designated H. F. No. 331 a Special Order to be heard immediately.

H. F. No. 331: A bill for an act relating to motor vehicles; requiring information as to all owners in applications for registration or certificate of title; appropriating money; amending Minnesota Statutes 1976, Sections 168.10, Subdivision 1; 168A.04, Subdivision 1; and 168A.05, Subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 46 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lessard	Peterson	Strand
Benedict	Hanson	Luther	Pillsbury	Stumpf
Bernhagen	Hughes	McCutcheon	Purfeerst	Ueland, A.
Brataas	Humphrey	Menning	Renneke	Ulland, J.
Chmielewski	Jensen	Moe	Schmitz	Vega
Dieterich	Johnson	Nelson	Setzepfandt	Willet
Dunn	Keefe, S.	Nichols	Sieloff	
Engler	Kirchner	Ogdahl	Sillers	
Frederick	Knutson	Olhoff	Spear	
Gearty	Laufenburger	Penny	Staples	

Mr. Tennesen voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 769 a Special Order to be heard immediately.

H. F. No. 769: A bill for an act relating to taxation; providing an exemption from the gasoline and special fuels tax for certain municipal transit systems; amending Minnesota Statutes 1976, Sections 296.02 and 296.025, by adding subdivisions.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hanson	Lessard	Penny	Spear
Benedict	Hughes	Luther	Perpich	Staples
Bernhagen	Humphrey	McCutcheon	Peterson	Strand
Chmielewski	Jensen	Menning	Pillsbury	Stumpf
Dieterich	Johnson	Merriam	Purfeerst	Tennesen
Dunn	Keefe, S.	Moe	Renneke	Ueland, A.
Engler	Kirchner	Nelson	Schmitz	Ulland, J.
Frederick	Knoll	Nichols	Setzepfandt	Vega
Gearty	Knutson	Ogdahl	Sieloff	Willet
Gunderson	Laufenburger	Olhoff	Sillers	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 157 a Special Order to be heard immediately.

H. F. No. 157: A bill for an act relating to public utilities; providing for refund of overcharges if certain rates become effective before approval by the public service commission; removing construction in progress from rate bases; prohibiting approval of rates which make allowances for certain advertising expenses; delaying implementation of certain rate schedules; restricting approval of rates which make allowances for charitable contributions; regulating telephone company rates; amending Minnesota Statutes 1976, Section 216B.16, Subdivisions 1, 2, and 6, and by adding subdivisions; and Chapter 237, by adding a section; repealing Minnesota Statutes 1976, Section 237.08.

Mr. Luther moved to amend H. F. No. 157 as follows:

Page 5, line 11, strike "or"

Page 5, line 13, strike the period and insert "; or"

Page 5, after line 13, insert:

"(d) Is designed primarily to promote good will for the public utility or improve the utility's public image."

The motion prevailed. So the amendment was adopted.

Mr. Luther then moved to amend H. F. No. 157 as follows:

Page 2, lines 30 to 32, reinstate the stricken language

Page 3, lines 1 to 4, reinstate the stricken language

Page 3, line 4, strike "suspension, but in no event"

Page 3, lines 5 to 14, strike the new language and insert "*For the purposes of this subdivision, "final determination" means the initial decision of the commission and not any order which may be entered by the commission in response to a petition for rehearing or other further relief. The commission may further suspend rates until it determines all such petitions*"

The motion prevailed. So the amendment was adopted.

Mr. Luther then moved to amend H. F. No. 157 as follows:

Page 9, line 32, strike "scrutinize all"

Page 10, line 1, strike "contributions and" and "only 50 percent of those"

Page 10, line 2, strike "contributions"

Page 10, line 2, after "expenses" insert "*only those charitable contributions*"

Page 10, line 4, after the period insert "*Only 50 percent of the qualified contributions shall be allowed as operating expenses.*"

The motion prevailed. So the amendment was adopted.

H. F. No. 157 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Knutson	Perpich	Spear
Bang	Gunderson	Laufenburger	Peterson	Staples
Benedict	Hanson	Lessard	Pillsbury	Stokowski
Bernhagen	Hughes	Lewis	Purfeerst	Strand
Brataas	Humphrey	Luther	Renneke	Stumpf
Chmielewski	Jensen	Menning	Schmitz	Tennesen
Coleman	Johnson	Nelson	Schrom	Ueland, A.
Dieterich	Keefe, S.	Ogdahl	Setzepfandt	Ulland, J.
Dunn	Kirchner	Olhoff	Sieloff	Vega
Engler	Kleinbaum	Olson	Sillers	Willet
Frederick	Knoll	Penny	Solon	

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 789, a Special Order to be heard immediately.

H. F. No. 789: A bill for an act relating to elections; establishing voter registration in all counties; changing required voter registration information; providing for reports of changes; amending Minnesota Statutes 1976, Sections 201.061, Subdivisions 3 and 6; 201.071; 201.091, by adding a subdivision; 201.14; 201.15; 201.27; 204A.37, Subdivision 1; 204A.46, Subdivision 2; and Chapter 201, by adding a section; repealing Minnesota Statutes 1976, Section 201.061, Subdivision 2.

Mr. Keefe, S. moved to amend the amendment placed on H. F. No. 789 by the Committee on Finance, adopted by the Senate May 13, 1977, as follows:

In the committee amendment, strike section 1

Before section 5, insert:

"Sec. 4. Minnesota Statutes 1976, Section 201.091, Subdivision 2, is amended to read:

Subd. 2. On the 60th day before each primary and on the 25th day before *Within 90 days after each general election*, the county auditor shall have available current registered voter lists by precinct for the county. *An up to date The list shall be periodically corrected and updated by the auditor, and a final corrected list shall be available from the county auditor 15 days before each primary election. The A corrected list may be either in the form of a complete corrected list or as a separate list of additions and deletions to the preceding list which was available 60 days before each primary election.*"

Before section 9, insert:

"Sec. 9. Minnesota Statutes 1976, Section 204A.37, Subdivision 1, is amended to read:

204A.37 [PERSONS IN POLLING PLACE.] Subdivision 1. Except as provided in this subdivision and except when a voter is unable to read English or is physically disabled and a voter is called upon to assist him, no person may remain inside the polling place except members of the election board, peace officers, challengers, and voters who are about to vote. No individual other than an election judge, peace officer or challenger may remain inside the polling place unless he is in the process of voting, is providing proof of residence for an individual who is registering to vote, or is assisting a physically handicapped voter or a voter unable to read English to vote.

Sec. 10. Minnesota Statutes 1976, Section 207.03, is amended to read:

207.03 [APPLICATION FOR BALLOTS.] Subdivision 1. At any time not more than 45 days or less than one day before the day of holding any election, any person may make application in writing subscribed by him to: (a) the auditor of the county in which the applicant is a resident; (b) the full time clerk of a municipality designated by the county auditor if the applicant is a resident of that municipality; or (c) the full time clerk of a municipality which has requested designation by the county auditor if the applicant is a resident of that municipality, for ballots and envelopes, by mailing to or filing with such auditor or such clerk an application substantially in the following form:

"APPLICATION FOR BALLOTS

The undersigned, a duly qualified voter in the County of _____, State of Minnesota, residing at _____ (here insert street and number) in said city, or town, because of (absence from home) _____, (illness) _____, (physical disability) _____, (because of religious discipline or observance of a religious holiday) hereby makes application for the ballots to be voted upon in said precinct at the next election. Please mail said ballots and accompanying envelope to me at _____ (insert post office address to which to be sent)

Dated _____, 19_____

(Signature of Applicant)"

An application need not be on an official or standard form. It must An application submitted by mail shall be accepted if it contains the information above.

If a person applies in person for an absentee ballot and must register by enclosing a completed registration card with his ballot, his application shall not be accepted unless he shall present, at the time of his application, proof of residence as required by section 201.061, subdivision 3.

Subd. 2. An eligible voter may apply for an absentee ballot on election day if he becomes a resident or patient on the day before election in a health care facility or hospital located in the municipality to which he applies. The voter may request an absentee ballot application directly from the judges engaged in delivering ballots pursuant to section 11 or by telephone to the municipal clerk not later than 5 p.m. on the day before election day. An application shall be delivered to any such voter by the judges designated to deliver ballots pursuant to section 11.

Subd. 3. Any person who shall wilfully make or sign any false certificates specified herein; any person who shall wilfully make any false or untrue statement in any "Application for Ballots"; any person who shall wilfully exhibit to any other person any ballot marked by him; any person who shall in any way wilfully do any act contrary to the terms and provisions of this chapter with intent to cast an illegal vote in any precinct or to aid another in so doing shall be guilty of a felony. If the person applying for a ballot resides in a political subdivision which does not accept registration other than on election day and the individual is not registered in that political subdivision, the county auditor shall send a registration card and instructions for completing the registration card along with the ballots and envelopes. For the purposes of this chapter, "municipal clerk" shall mean the clerk designated pursuant to this section.

Sec. 11. Minnesota Statutes 1976, Chapter 207, is amended by adding a section to read:

[207.31] [HOSPITAL PATIENTS AND HEALTH CARE FACILITY RESIDENTS.] *Each municipal clerk shall designate election judges to deliver absentee ballots to any eligible voter who has applied for an absentee ballot as provided in section 207.03 and who is a resident or patient in a health care facility or hospital located in the municipality to which the application has been submitted. The ballots shall be delivered to any such voter by two election judges, each of whom is affiliated with a different political party. When the judges are engaged in delivering or returning ballots as provided in this section, they shall travel together in the same vehicle. Both judges shall be present when an applicant completes his voter's certificate and casts his absentee ballot, and may assist an applicant to mark his ballot in the manner provided in section 204A.34. The judges shall deposit the return envelopes containing the voted absentee ballots in a sealed container and deliver them to the clerk on the same day that they are delivered and cast. Except as provided in subdivision 2, the judges shall deliver absentee ballots to the applicant during the ten days preceding an election.*

Sec. 12. Minnesota Statutes 1976, Section 207.05, Subdivision 1, is amended to read:

207.05 [APPLICATIONS FILED WITH AUDITOR OR MUNICIPAL CLERK; DELIVERY OF BALLOT.] Subdivision 1. [APPLICATION, DELIVERY.] If any application is made either

in person or by mail more than 30 days before election, the auditor or the municipal clerk shall file the same and forthwith on the delivery to him of the ballots, shall mail to the applicant without charge, at the address specified in the application one each of the several ballots the applicant is entitled to vote upon at the next election; also the envelope hereinafter specified. If the application is made within 30 days of the election, he shall forthwith upon receipt of such application or as soon thereafter as ballots are available, mail, or deliver to the applicant, without charge, if he apply therefor in person, and fill out and sign the application blank specified in the manner provided in section 207.03, one each of the several ballots the applicant is entitled to vote upon at the next election; also the envelopes hereinafter specified. *The provisions of this subdivision shall not be construed to require mailing of absentee ballots to applicants to whom delivery by election judges is required pursuant to section 11.*

Sec. 13. Minnesota Statutes 1976, Section 207.10, is amended to read:

207.10 [VOTER TO MAIL BALLOT.] Any qualified voter of any precinct of this state to whom ballots have been delivered by the county auditor or by the municipal clerk, may mark and mail the ballots so delivered to him at any place, the same to be marked and mailed in the manner specified in the directions to voters, set forth in section 207.08, and before an attesting witness belonging to one of the classes specified in the directions to voters. *Ballots delivered to qualified voters pursuant to section 11 may be returned in person to the municipal clerk by the judges who delivered the ballots. The municipal clerk shall forthwith deliver those ballots to the judges of the appropriate precincts either by mail or in person.*

Sec. 14. Minnesota Statutes 1976, Section 207.101, is amended to read:

207.101 [CLERK OF MUNICIPALITY TO DELIVER BALLOTS IN CERTAIN CASES.] Any clerk of a municipality who receives "Return Envelopes" as provided for in sections 207.08 and 207.20, subdivision 1 by mail, or by delivery in person by election judges pursuant to section 11, before the closing hours of the polls shall forthwith deliver them to the judges of election of the appropriate precincts in his municipality. "Return Envelopes" not delivered as provided herein shall promptly be sent to the county auditor by the clerk with a notation on the "Return Envelope" of the reason for nondelivery."

In the committee amendment, strike section 10.

Renumber the sections in sequence

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

"A bill for an act relating to elections; establishing voter registration in all counties; changing required voter registration information; providing for reports of changes; delaying the availability of registration lists; requiring proof of residence; permitting

applications for absentee ballots; providing for delivery and return of election ballots; appropriating money; amending Minnesota Statutes 1976, Sections 201.061, Subdivisions 3 and 6; 201.071; 201.091, Subdivisions 2 and 6 and by adding a subdivision; 201.14; 204A.37, Subdivision 1; 207.03; 207.05, Subdivision 1; 207.10; 207.101; Chapter 201, by adding a section; and Chapter 207, by adding a section."

The motion prevailed. So the amendment to the amendment was adopted.

Mr. Ulland, J. moved to amend the amendment placed on H. F. No. 789 by the Committee on Finance, adopted by the Senate May 13, 1977, as follows:

Before section 9 insert:

"Sec. 9. Minnesota Statutes 1976, Section 202A.72, is amended to read:

202A.72 [UNITED STATES SENATOR, VACANCY.] *Subdivision 1. Upon failure to choose a senator in congress or upon a vacancy in the office the vacancy shall be filled for the unexpired term at the following biennial state election, provided said vacancy occurs not less than 60 days prior to the date of the primaries for nominating candidates to be vetoed for at such election, otherwise at the biennial state election next following. Pending such election if a vacancy occurs in the office of senator in congress, the governor shall may make a temporary appointment to fill the vacancy, and the person so appointed shall serve until the election and qualification of the person duly elected to fill such vacancy. A special election to fill the vacancy shall be held as follows:*

(a) *Except as provided in paragraph (c), if the vacancy occurs in the period beginning 34 days prior to the primary held before the general election in any year, and ending 182 days prior to the next occurring general election, within five days after the vacancy occurs the governor shall issue a writ calling for a special election to be held on a Tuesday not less than 83 nor more than 97 days after the date on which the vacancy occurred. The special primary shall be held 42 days before the special election, and the period for filing affidavits of candidacy and petitions to appear on the ballot shall begin 35 days and end 21 days before the primary.*

(b) *Except as provided in paragraph (c), if the vacancy occurs in the period beginning 181 days prior to a general election and ending 35 days prior to the primary held before the general election, the special primary and election shall be held at the time of the regular primary and the general election. The period for filing affidavits of candidacy and petitions to appear on the ballot shall coincide with the period established for filing affidavits of candidacy and petitions to appear on the ballot for the general election.*

If the vacancy occurs in the period beginning 70 days and ending 35 days prior to the primary, the period for filing affidavits of candidacy and petitions to appear on the ballot shall begin on a Tuesday no later than eight days after the vacancy occurs and shall end 14 days after the first day for filing.

(c) ~~;~~ provided, that There may not be an election to fill the unexpired term at any biennial election for any vacancy occurring in a year immediately preceding the expiration of such term and . In that event the person appointed by the governor to fill the vacancy shall serve until the expiration of such the term.

Subd. 2. An individual who is elected at any special election held pursuant to this section shall be eligible to take office on the eighth day following the day on which the state canvassing board certifies the results of the election, and shall serve until the expiration of the term for the office.

Subd. 3. If elections are held statewide on the uniform municipal election day, every special election to fill a vacancy in the office of senator in congress shall be held only on the day of the general or uniform municipal election.

Subd. 4. Any special election held pursuant to this section shall be conducted in so far as practical according to the provisions of Minnesota election law governing general and special elections."

After section 10 insert:

"Sec. 12. Section 9 is effective the day after final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after "changes;" insert "providing that vacancies in the United States senate be filled by special election;"

Page 1, line 8, after "201.27;" insert "202A.72;"

Mr. Keefe, S. questioned whether the amendment was germane.

The President ruled that the amendment was germane.

CALL OF THE SENATE

Mr. Ulland, J. imposed a call of the Senate for the balance of the proceedings on H. F. No. 789. The following Senators answered to their names:

Anderson	Gearty	Knutson	Perpich	Sillers
Ashbach	Gunderson	Luther	Peterson	Spear
Bang	Hanson	McCutcheon	Pillsbury	Staples
Benedict	Hughes	Menning	Purfeerst	Stokowski
Chmielewski	Jensen	Merriam	Renneke	Strand
Coleman	Johnson	Moe	Schaaf	Stumpf
Davies	Keefe, S.	Nelson	Schmitz	Tennessee
Dieterich	Kirchner	Nichols	Setzpfandt	Ueland, A.
Dunn	Kleinbaum	Ogdahl	Sieloff	Ulland, J.
Engler	Knoll	Olhoft	Sikorski	Vega

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

The question was taken on the Ulland, J. amendment.

Mr. Keefe, S. moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 25 and nays 35, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Keefe, J.	Menning	Sieloff
Bang	Dunn	Kirchner	Ogdahl	Sillers
Bernhagen	Engler	Knutson	Penny	Spear
Brataas	Frederick	Laufenburger	Pillsbury	Ueland, A.
Chmielewski	Jensen	Lessard	Renneke	Ulland, J.

Those who voted in negative were:

Anderson	Hanson	McCutcheon	Peterson	Stokowski
Benedict	Johnson	Merriam	Purfeerst	Strand
Borden	Keefe, S.	Milton	Schaaf	Stumpf
Coleman	Kleinbaum	Moe	Schmitz	Tennessee
Davies	Knoll	Nichols	Sikorski	Vega
Gearty	Lewis	Olhoff	Solon	Wegener
Gunderson	Luther	Olson	Staples	Willett

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

H. F. No. 789 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Penny	Solon
Ashbach	Gearty	Laufenburger	Perpich	Spear
Bang	Gunderson	Lessard	Peterson	Staples
Benedict	Hanson	Luther	Pillsbury	Stokowski
Bernhagen	Hughes	Menning	Purfeerst	Strand
Borden	Jensen	Merriam	Renneke	Stumpf
Brataas	Johnson	Milton	Schaaf	Tennessee
Chmielewski	Keefe, J.	Moe	Schmitz	Ueland, A.
Coleman	Keefe, S.	Nelson	Setzepfandt	Ulland, J.
Dieterich	Kirchner	Nichols	Sieloff	Vega
Dunn	Kleinbaum	Olhoff	Sikorski	Wegener
Engler	Knoll	Olson	Sillers	Willett

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 6 a Special Order to be heard immediately.

H. F. No. 6: A bill for an act relating to human rights; prohibiting employment and education discrimination based on age;

amending Minnesota Statutes 1976, Sections 363.01, by adding a subdivision; 363.02, Subdivision 1, and by adding a subdivision; 363.03, Subdivisions 1 and 5, and by adding a subdivision; 363.05, Subdivision 1; 363.11; 363.115; and 363.12, Subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 46 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Luther	Purfeerst	Stumpf
Bernhagen	Hughes	Menning	Renneke	Tennessee
Brataas	Jensen	Merriam	Schaaf	Ulland, J.
Chmielewski	Johnson	Moe	Sieloff	Vega
Davies	Keefe, J.	Nelson	Sikorski	Wegener
Dieterich	Keefe, S.	Nichols	Sillers	Willet
Dunn	Knoll	Olhoft	Spear	
Engler	Knutson	Penny	Staples	
Frederick	Laufenburger	Perpich	Stokowski	
Gearty	Lewis	Peterson	Strand	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1630 a Special Order to be heard immediately.

SUSPENSION OF RULES

Mr. Menning 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. 1630 and that the rules of the Senate be so far suspended as to give H. F. No. 1630, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

H. F. No. 1630: A bill for an act relating to claims against the state; appropriating money for the payment thereof; establishing procedures for consideration of certain claims.

Mr. Menning moved to amend H. F. No. 1630, as amended pursuant to Rule 49, adopted by the Senate May 19, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1521.)

Page 5, after line 17, insert:

"Sec. 7. The section of law enacted at the 1977 session of the legislature known as H. F. No. 384, Section 6, is repealed."

Page 5, line 18, delete "and" and insert a comma, and after "6" insert "and 7"

Renumber the sections in sequence

The motion prevailed. So the amendment was adopted.

Mr. Menning then moved to amend H. F. No. 1630, as amended pursuant to Rule 49, adopted by the Senate May 19, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1521.)

Page 4, line 27 to page 5, line 7, strike subdivision 2, and insert:

"Subd. 2. [EVALUATION OF CLAIMS.] Claims arising under this section shall be paid pursuant to legislative appropriation following evaluation of each claim by the appropriate committees of the senate and house of representatives. Compensation will not be paid for pain and suffering."

Page 5, strike subdivision 3

Renumber the remaining subdivision

The motion prevailed. So the amendment was adopted.

H. F. No. 1630 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Lessard	Penny	Sillers
Ashbach	Hughes	Luther	Perpich	Spear
Benedict	Jensen	Menning	Peterson	Staples
Dieterich	Johnson	Merriam	Pillsbury	Stokowski
Dunn	Keefe, J.	Milton	Purfeerst	Strand
Engler	Keefe, S.	Moe	Renneke	Stumpf
Frederick	Kirchner	Nelson	Schmitz	Ueland, A.
Gearty	Knutson	Nichols	Setzepfandt	Ulland, J.
Gunderson	Laufenburger	Olson	Sikorski	Vega

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1300 a Special Order to be heard immediately.

H. F. No. 1300: A bill for an act relating to outdoor recreation; appropriating money for acquisition and betterment of parks, trails, wildlife lands, outdoor athletic courts, and for other purposes; authorizing sale of bonds; amending Minnesota Statutes 1976, Sections 85.016; 473.121, Subdivision 14; 473.302; 473.303, by adding a subdivision; 473.315, Subdivision 1; and Chapter 85, by adding a section.

CALL OF THE SENATE

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

Anderson	Gearty	Knutson	Penny	Solon
Ashbach	Gunderson	Lessard	Perpich	Spear
Bang	Hanson	Luther	Purfeerst	Staples
Benedict	Hughes	Merriam	Renneke	Stokowski
Chmielewski	Jensen	Moe	Schmitz	Strand
Dieterich	Johnson	Nelson	Setzenfandt	Stumpf
Dunn	Keefe, S.	Nichols	Sieloff	Ueland, A.
Engler	Kirchner	Ogdahl	Sikorski	Vega
Frederick	Kleinbaum	Olson	Sillers	

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

Pursuant to Rule 21, Mr. Tennesen moved that the following members be excused for a Conference Committee on H. F. No. 415 at 3:30 p.m.:

Messrs. Tennesen, Nelson, Merriam, Davies and Keefe, J. The motion prevailed.

Pursuant to Rule 21, Mr. McCutcheon moved that the following members be excused for a Conference Committee on H. F. No. 1475 at 4:00 p.m.:

Messrs. McCutcheon, Hanson, Johnson, Peterson and Stokowski. The motion prevailed.

Mr. Anderson moved to amend H. F. No. 1300, as amended pursuant to Rule 49, adopted by the Senate May 18, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1360.)

Page 8, line 20, strike "\$62,500,000" and insert "\$61,500,000"

Page 13, line 11, strike "\$4,800,000" and insert "\$3,800,000"

Page 13, line 16, strike "2,700,000" and insert "1,700,000"

The motion prevailed. So the amendment was adopted.

Mr. Dunn moved to amend H. F. No. 1300, as amended pursuant to Rule 49, adopted by the Senate May 18, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1360.)

Page 3, after line 2, insert:

"Subd. 3. The director of the state planning agency shall administer a program to provide grants to local units of government outside the metropolitan area for the acquisition of parks, trails and other open space areas serving a regional need. Appropriations made for this purpose shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commis-

sion regarding such expenditures. The local contribution required shall be identical to that required by the legislative commission on Minnesota resources for grants-in-aid for recreation open space of regional significance. The program shall be administered so as to ensure the maximum possible use of available federal funds."

Page 3, line 3, strike "3" and insert "4"

Page 3, line 12, strike "4" and insert "5"

Page 3, line 25, strike "5" and insert "6"

Page 3, line 30, strike "and regulations"

Page 3, line 31, strike "and"

Page 3, line 32, strike "regulations"

Page 8, line 20, strike "\$62,500,000" and insert "\$58,000,000"

Page 9, line 1, strike "\$5,100,000" and insert "\$14,100,000"

Page 9, after line 9, insert:

"Subd. 3. Grants for parks, trails and other open space serving a regional need pursuant to section 2, subdivision 3 9,000,000"

Page 9, line 11, strike "3" and insert "4"

Page 9, line 20, strike "4" and insert "5"

Page 14, line 9, strike "27,300,000" and insert "15,800,000"

Page 14, line 10, strike "24,000,000" and insert "11,500,000"

Page 14, line 12, strike "and betterment"

Page 14, line 24, strike "and betterment"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 21 and nays 34, as follows:

Those who voted in the affirmative were:

Bang	Gunderson	Olson	Setzepfandt	Willet
Bernhagen	Laufenburger	Penny	Sillers	
Chmielewski	Lessard	Peterson	Strand	
Dunn	Nelson	Renneke	Ulland, J.	
Frederick	Olhoff	Schrom	Wegener	

Those who voted in the negative were:

Anderson	Gearty	Kleinbaum	Pillsbury	Spear
Ashbach	Hanson	Knoll	Purfeerst	Staples
Benedict	Hughes	Luther	Schaaf	Stokowski
Borden	Humphrey	Merriam	Schmitz	Stumpf
Coleman	Johnson	Moe	Sieloff	Tennessee
Davies	Keefe, J.	Ogdahl	Sikoriski	Vega
Dieterich	Kirchner	Perpich	Solon	

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

Mr. Gunderson moved to amend H. F. No. 1300, as amended pursuant to Rule 49, adopted by the Senate May 18, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1360.)

Page 11, line 30, after the period insert "*If any parcel acquired for the Memorial Hardwood forest after the effective date of this act contains more than 10 contiguous acres of tillable land adjacent to other tillable land or to a public road, the commissioner of natural resources shall declare that tillable land as surplus land to the commissioner of administration. The commissioner of administration shall offer the land for sale in the manner provided by law not less than six months after acquisition by the state and once thereafter in each of the next two years. Tillable land is land classified as class 1, 2, or 3 as defined by the United States soil conservation service. Notwithstanding any law to the contrary neither the state nor any of its subdivisions shall be required to construct or maintain any street, highway or other road to provide access to any parcel of land sold pursuant to this subdivision.*"

The motion prevailed. So the amendment was adopted.

H. F. No. 1300 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 52 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Pillsbury	Staples
Ashbach	Gearty	Lessard	Purfeerst	Stokowski
Bang	Gunderson	Lewis	Renneke	Strand
Benedict	Hughes	Luther	Schaaf	Stumpf
Bernhagen	Humphrey	Menning	Schmitz	Ulland, J.
Borden	Jensen	Milton	Setzpfandt	Vega
Brataas	Keefe, S.	Moe	Sieloff	Wegener
Coleman	Kirchner	Ogdahl	Sikorski	Willet
Dieterich	Kleinbaum	Olhoff	Sillers	
Dunn	Knoll	Olson	Solon	
Engler	Knutson	Perpich	Spear	

Messrs. Penny and Schrom voted in the negative.

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1334 a Special Order to be heard immediately.

S. F. No. 1334: A bill for an act relating to public welfare; providing for payment of the costs of certain care and treatment for mentally retarded, epileptic, cerebral palsied and emotionally handicapped children; requiring the parents and child to provide

reimbursement for certain care and treatment; amending Minnesota Statutes 1976, Sections 246.51; and 252.27, Subdivisions 1 and 2.

Mr. Perpich moved to amend S. F. No. 1334 as follows:

Page 2, line 19, strike "or"

Page 2, line 20, strike "who has cerebral palsy"

Page 3, line 2, strike "or"

Page 3, line 3, strike "child with cerebral palsy"

Amend the title as follows:

Page 1, line 4, strike ", cerebral palsied"

The motion prevailed. So the amendment was adopted.

S. F. No. 1334: A bill for an act relating to public welfare; providing for payment of the costs of certain care and treatment for mentally retarded, epileptic and emotionally handicapped children; requiring the parents and child to provide reimbursement for certain care and treatment; amending Minnesota Statutes 1976, Sections 246.51; and 252.27, Subdivisions 1 and 2.

Was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 41 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Luther	Schmitz	Stumpf
Ashbach	Gunderson	Menning	Schrom	Ueland, A.
Benedict	Hughes	Moe	Setzeofandt	Ulland, J.
Chmielewski	Kirchner	Olhoft	Sieloff	Vega
Coleman	Kleinbaum	Penny	Sikorski	Willet
Dieterich	Knoll	Perpich	Sillers	
Dunn	Knutson	Pillsbury	Spear	
Engler	Laufenburger	Purfeerst	Staples	
Frederick	Lessard	Renneke	Strand	

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 202 a Special Order to be heard immediately.

S. F. No. 202: A bill for an act relating to state government; creating a department of economic security; transferring powers; abolishing the department of employment services and the governor's manpower office; providing that the creation of a department of vocational rehabilitation shall not occur and providing for a legislative study of the transfer of certain other functions; appropriating money; amending Minnesota Statutes 1976, Sections 15.01; 15.0411, Subdivision 2; 15A.081, Subdivision 1, as amended;

43.09, Subdivision 2a; 256.482, Subdivision 1; 256.736, Subdivisions 2, 3, 4, and 5; 256D.11, Subdivisions 1, 2, 6, 7 and 9; and 268.04, Subdivision 8; repealing Minnesota Statutes 1976, Section 129A.02, Subdivision 1.

Mr. Chenoweth moved to amend S. F. No. 202 as follows:

Page 11, lines 22 and 23, reinsert the stricken language

Page 21, line 11, strike "*Subdivision 1.*"

Page 21, strike lines 18 to 25

Page 22, line 9, strike "*The creation of a department of vocational*"

Page 22, strike lines 10 to 14

Renumber the sections

Amend the title as follows:

Page 1, strike lines 6 and 7

Page 1, line 15, strike "; repealing Minnesota"

Page 1, line 16, strike everything before the period

CALL OF THE SENATE

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

Benedict	Frederick	Lessard	Penny	Sikorski
Bernhagen	Gearty	Luther	Perpich	Spear
Brataas	Gunderson	Menning	Pillsbury	Strand
Chenoweth	Hughes	Moe	Purfeerst	Stumpf
Chmielewski	Kirchner	Nelson	Schmitz	Ueland, A.
Coleman	Kleinbaum	Olhoff	Setzepfandt	Ueland, J.
Engler	Knutson	Olson	Sieloff	Vega

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

Pursuant to Rule 21, Mr. Lewis moved that the following members be excused for a Conference Committee on S. F. No. 1416 at 5:00 p.m.:

Messrs. Lewis, Kirchner, Milton, Moe and Perpich. The motion prevailed.

The question recurred on the Chenoweth amendment.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 38 and nays 26, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Keefe, J.	Merriam	Sillers
Ashbach	Dunn	Kirchner	Olhoff	Solon
Bang	Engler	Knoll	Olson	Spear
Bernhagen	Frederick	Knutson	Pillsbury	Stumpf
Borden	Gunderson	Laufenburger	Renneke	Ueland, A.
Brataas	Hughes	Lessard	Schrom	Ueland, J.
Chenoweth	Humphrey	Luther	Setzepfandt	
Chmielewski	Jensen	Menning	Sieloff	

Those who voted in the negative were:

Benedict	Keefe, S.	Nichols	Schmitz	Wegener
Coleman	Kleinbaum	Ogdahl	Staples	Willet
Dieterich	Lewis	Penny	Stokowski	
Gearty	Milton	Perpich	Strand	
Hanson	Moe	Peterson	Tennessen	
Johnson	Nelson	Schaaf	Vega	

The motion prevailed. So the amendment was adopted.

S. F. No. 202: A bill for an act relating to state government; creating a department of economic security; transferring powers; abolishing the department of employment services and the governor's manpower office; providing for a legislative study of the transfer of certain other functions; appropriating money; amending Minnesota Statutes 1976, Sections 15.01; 15.0411, Subdivision 2; 15A.081, Subdivision 1, as amended; 43.09, Subdivision 2a; 256.482, Subdivision 1; 256.736, Subdivisions 2, 3, 4, and 5; 256D.11, Subdivisions 1, 2, 6, 7 and 9; and 268.04, Subdivision 8.

Was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 43 and nays 8, as follows:

Those who voted in the affirmative were:

Benedict	Gunderson	Menning	Schaaf	Strand
Bernhagen	Hughes	Moe	Schmitz	Stumpf
Chenoweth	Keefe, S.	Nelson	Schrom	Tennessen
Chmielewski	Kirchner	Nichols	Setzenfandt	Ulland, J.
Coleman	Kleinbaum	Ogdahl	Sieloff	Vega
Davies	Knoll	Olhofs	Sillers	Wegener
Dieterich	Laufenburger	Olson	Solon	Willet
Engler	Lessard	Penny	Spear	
Gearty	Luther	Purfeerst	Staples	

Those who voted in the negative were:

Ashbach	Brataas	Jensen	Pillsbury	Ueland, A.
Bang	Frederick	Knutson		

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1395 a Special Order to be heard immediately.

S. F. No. 1395: A bill for an act relating to education; public television and radio; altering the calculation of matching funds required by public stations; appropriating money; amending Minnesota Statutes 1976, Section 139.18, Subdivisions 1 and 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 43 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Gunderson	Menning	Purfeerst	Staples
Benedict	Hughes	Merriam	Renneke	Strand
Bernhagen	Keefe, J.	Moe	Schmitz	Stumpf
Brataas	Keefe, S.	Nichols	Setzepfandt	Ueland, A.
Chmielewski	Kleinbaum	Ogdahl	Sieloff	Ulland, J.
Coleman	Knutson	Olhoft	Sikorski	Vega
Dieterich	Laufenburger	Olson	Sillers	Wegener
Engler	Lessard	Penny	Solon	
Gearty	Luther	Pillsbury	Spear	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 1361 a Special Order to be heard immediately.

S. F. No. 1361: A bill for an act relating to health; providing state grants to finance health related research activities; directing the state health coordinating council to establish a health research subcommittee; providing for its powers and duties; appropriating money.

Mr. Dunn moved to amend S. F. No. 1361 as follows:

Page 4, strike lines 22 to 29

The question was taken on the adoption of the amendment.

Mr. Dunn moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 21 and nays 27 as follows:

Those who voted in the affirmative were:

Anderson	Engler	Milton	Setzepfandt	Ulland, J.
Bang	Gunderson	Perpich	Sieloff	
Bernhagen	Knoll	Pillsbury	Sillers	
Dieterich	Knutson	Schaaf	Spear	
Dunn	Luther	Schmitz	Ueland, A.	

Those who voted in the negative were:

Ashbach	Gearty	Menning	Purfeerst	Vega
Benedict	Hughes	Moe	Renneke	Wegener
Borden	Humphrey	Nichols	Sikorski	Willet
Chenoweth	Keefe, S.	Olhoft	Staples	
Chmielewski	Kleinbaum	Olson	Strand	
Frederick	Lessard	Penny	Stumpf	

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

Mr. Renneke moved to amend S. F. No. 1361 as follows:

Page 1, line 19, after the period insert "No members of the Minnesota Legislature shall serve on the health research subcommittee."

The motion prevailed. So the amendment was adopted.

S. F. No. 1361 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 49 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Perpich	Spear
Ashbach	Frederick	Lessard	Pillsbury	Staples
Bang	Gearty	Luther	Purfeerst	Strand
Benedict	Gunderson	Menning	Renneke	Stumpf
Bernhagen	Hughes	Milton	Schaaf	Ueland, A.
Borden	Humphrey	Moe	Schmitz	Ueland, J.
Brataas	Keefe, S.	Nichols	Setzepfandt	Vega
Chenoweth	Kirchner	Olhoft	Sieloff	Wegener
Dieterich	Kleinbaum	Olson	Sikorski	Willet
Dunn	Knoll	Penny	Sillers	

Mr. Schrom voted in the negative.

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 613 a Special Order to be heard immediately.

SUSPENSION OF RULES

Mr. Menning 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. 613 and that the rules of the Senate be so far suspended as to give H. F. No. 613, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

H. F. No. 613: A bill for an act relating to the operation of state government; establishing an office of volunteer services within the office of the governor; coordinating volunteer programs throughout the state; appropriating money.

Mr. Schaaf moved to amend H. F. No. 613, as amended pursuant to Rule 49, adopted by the Senate May 18, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 599.)

Page 2, line 18, strike "21" and insert "15"

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

H. F. No. 613 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 39 and nays 5, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Knoll	Perpich	Strand
Bang	Engler	Laufenburger	Pillsbury	Stumpf
Benedict	Gearty	Lessard	Purfeerst	Ueland, A.
Bernhagen	Gunderson	Luther	Setzepfandt	Ueland, J.
Brataas	Hughes	Menning	Sikorski	Vega
Chmielewski	Humphrey	Moe	Sillers	Wegener
Coleman	Keefe, S.	Olhoft	Spear	Willet
Dieterich	Kleinbaum	Penny	Staples	

Those who voted in the negative were:

Nichols Renneke Schmitz Schrom Sieloff

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1030 a Special Order to heard immediately.

H. F. No. 1030: A bill for an act relating to health care plans; requiring minimum anticipated loss ratios for certain insurance plans; eliminating certain open enrollment requirements for non-profit health service plans; revising the Minnesota comprehensive health insurance act of 1976; revising the Minnesota catastrophic health expense protection act of 1976; making necessary improvements and corrections; further prescribing the powers and duties of the commissioner of insurance; further prescribing the powers and duties of the commissioner of public welfare; amending Minnesota Statutes 1976, Chapter 62E, by adding a section; and Sections 62A.02, Subdivision 3; 62A.17, Subdivision 6; 62D.10, Subdivision 1; 62E.02, Subdivisions 2, 8, 11 and 21; 62E.03, Subdivision 2; 62E.04, Subdivision 4, and by adding a subdivision; 62E.06; 62E.08; 62E.09; 62E.10, Subdivisions 1, 3, and 7; 62E.11, Subdivision 5; 62E.13, Subdivisions 2 and 4; 62E.14, Subdivision 1; 62E.53; and 62E.54, Subdivision 1; repealing Minnesota Statutes 1976, Section 62E.16.

Mr. Sikorski moved to amend H. F. No. 1030, as amended by the Committee on Finance, adopted by the Senate May 16, 1977, as follows:

Page 5, line 30, strike "not"

Page 5, line 30, after "sold" insert "by an insurer"

Page 5, line 31, after "is" insert "not"

Page 10, line 17, strike "clause (a)" and insert "clauses (a) and (e)"

Page 10, line 27, strike "; and" and insert a period

Page 10, line 28, strike "(4)" and insert "(e)"

Strike the Finance Committee amendment to page 10, line 28

Page 10, line 28, after "1979" insert ", the minimum benefits of a qualified plan shall include, in addition to those benefits specified in clause (a),"

Page 11, after line 18, insert:

"Sec. 12. Minnesota Statutes 1976, Section 62E.08, is amended to read:

62E.08 [STATE PLAN PREMIUM.] Subdivision 1. For the first year *eighteen months* of operation of the comprehensive health insurance plan the association shall establish the following premiums to be charged for membership in the comprehensive health insurance plan:

(a) The premium for the number one qualified plan shall be the

average of rates charged by the five insurers with the largest number of individuals in a number one individual qualified plan of insurance in force in Minnesota;

(b) The premium for the number two qualified plan shall be the average of rates charged by the five insurers with the largest number of individuals in a number two individual qualified plan of insurance in force in Minnesota;

(c) The premium for a qualified medicare supplement plan shall be the average of rates charged by the five insurers with the largest number of individuals enrolled in a qualified medicare supplement plan; and

(d) The charge for health maintenance organization coverage shall be based on generally accepted actuarial principles.

Subd. 2. For the second and subsequent years *enrollees or renewals of membership*, the schedule of premiums for membership in the comprehensive health insurance plan shall be designed to be self-supporting and based on generally accepted actuarial principles."

Strike the Finance Committee amendment to page 18

Strike the Finance Committee amendment to page 21, lines 26 and 27

Page 21, line 27, after "1978" insert "*and section 2, which is effective on July 1, 1979*"

Renumber the sections in sequence

Amend the title as follows:

Strike the Finance Committee amendment to page 1, line 19

The motion prevailed. So the amendment was adopted.

Mr. Laufenburger moved to amend H. F. No. 1030, as amended by the Committee on Finance, adopted by the Senate May 16, 1977, as follows:

Pages 1 to 3, strike section 1

Page 21, line 26, strike "*except for section 1 which*" and insert a period

Page 21, strike line 27

Renumber the sections in sequence

Amend the title as follows:

Line 2, strike "*requiring minimum*"

Strike line 3

Line 4, strike "*plans;*"

Line 15, strike "*62A.02, Subdivision 3;*"

The question was taken on the adoption of the amendment.

Mr. Laufenburger moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 20 and nays 25, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Laufenburger	Purfeerst	Sillers
Bang	Frederick	Olson	Renneke	Solon
Bernhagen	Gunderson	Penny	Schmitz	Strand
Brataas	Kleinbaum	Pillsbury	Sieloff	Ueland, A.

Those who voted in the negative were:

Anderson	Dieterich	Lessard	Olhoff	Staples
Benedict	Dunn	Luther	Schaaf	Stumpf
Borden	Gearty	Menning	Setzpfandt	Ulland, J.
Chmielewski	Keefe, S.	Milton	Sikorski	Vega
Coleman	Knoll	Moe	Spear	Willet

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

Mr. Ashbach moved to amend H. F. No. 1030 as follows:

Page 21, line 27, strike "*January*" and insert "*July*"

The motion prevailed. So the amendment was adopted.

H. F. No. 1030 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 37 and nays 13, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Moe	Schmitz	Strand
Ashbach	Keefe, S.	Nelson	Setzpfandt	Stumpf
Benedict	Kirchner	Nichols	Sieloff	Ulland, J.
Borden	Kleinbaum	Ogdahl	Sikorski	Vega
Chmielewski	Knoll	Olhoff	Sillers	Willet
Coleman	Luther	Olson	Solon	
Dieterich	Menning	Perpich	Spear	
Dunn	Milton	Schaaf	Staples	

Those who voted in the negative were:

Bang	Engler	Jensen	Pillsbury	Ueland, A.
Bernhagen	Frederick	Laufenburger	Purfeerst	
Brataas	Gunderson	Penny	Renneke	

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

RECONSIDERATION

Mr. Chmielewski moved that the vote whereby H. F. No. 1030 was passed by the Senate on May 19, 1977, be now reconsidered.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 29 and nays 19, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Menning	Schmitz	Strand
Bang	Engler	Nichols	Schrom	Stumpf
Benedict	Frederick	Olson	Setzepfandt	Ueland, A.
Bernhagen	Gunderson	Pillsbury	Sieloff	Ueland, J.
Brataas	Kleinbaum	Purfeerst	Sillers	Vega
Chmielewski	Lessard	Renneke	Solon	

Those who voted in the negative were:

Borden	Keefe, S.	Luther	Olhoft	Sikorski
Coleman	Knoll	Milton	Penny	Spear
Dieterich	Laufenburger	Moe	Perpich	Staples
Gearty	Lewis	Nelson	Schaaf	

The motion prevailed. So the vote was reconsidered.

Mr. Chmielewski moved to amend H. F. No. 1030 as follows:

Page 21, after line 9, insert:

"Sec. 23. Minnesota Statutes 1976, Section 62E.52, Subdivision 3, is amended to read:

Subd. 3. "Qualified expense" means any charge incurred subsequent to July 1, 1977 for a health service which is (1) included in the list of covered services described in section 62E.06, subdivision 1, or (2) for the treatment of hemophilia, including blood and blood derivatives, and for which no third party is liable."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 22, before "62E.53;" insert "62E.52, Subdivision 3;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 12 and nays 34, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Gunderson	Schrom	Ueland, A.
Benedict	Dunn	Renneke	Sieloff	Ueland, J.
Bernhagen	Engler			

Those who voted in the negative were:

Anderson	Kirchner	Menning	Perpich	Solon
Borden	Kleinbaum	Milton	Purfeerst	Spear
Coleman	Knoll	Nelson	Schaaf	Staples
Dieterich	Laufenburger	Nichols	Schmitz	Strand
Frederick	Lessard	Olhoft	Setzepfandt	Stumpf
Gearty	Lewis	Olson	Sikorski	Vega
Keefe, S.	Luther	Penny	Sillers	

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

H. F. No. 1030 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 45 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Luther	Pillsbury	Solon
Ashbach	Gunderson	Menning	Purfeerst	Spear
Benedict	Keefe, S.	Milton	Schaaf	Staples
Bernhagen	Kirchner	Nelson	Schmitz	Strand
Borden	Kleinbaum	Nichols	Schrom	Stumpf
Chmielewski	Knoll	Olhoff	Setzepfandt	Ueland, A.
Coleman	Laufenburger	Olson	Sieloff	Ulland, J.
Dieterich	Lessard	Penny	Sikorski	Vega
Dunn	Lewis	Perpich	Sillers	Willet

Messrs. Bang, Frederick and Renneke voted in the negative.

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

Without objection, the Senate reverted to the Order of Business of Messages From the House and First Reading of House Bills.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 522:

H. F. No. 522: A bill for an act relating to energy; extending the application of the state building code to all cities and counties; clarifying state agency rulemaking regarding the building code subject matter; extending and clarifying the expiration of the Minnesota energy agency; requiring promulgation of certain energy conservation standards; revising certain requirements; requiring certain efficiencies for air conditioners; prohibiting certain open flame pilot lights; appropriating money; amending Minnesota Statutes 1976, Sections 16.84; 16.851; 16.86, Subdivision 4; 16.861, Subdivision 4; 116H.02, Subdivision 5; 116H.07, Subdivision 1, and by adding a subdivision; 116H.12, Subdivisions 5 and 10, and by adding subdivisions; 116H.121; 116H.124; 116H.126; 116H.13, Subdivision 4; 126.111; and Chapter 116H, by adding sections; repealing Laws 1974, Chapter 307, Section 19.

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

Munger, Beauchamp and Dean have been appointed as such committee on the part of the House.

House File No. 522 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 May 19, 1977

Mr. Anderson moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 522, and a Conference Committee of 3 members be appointed by the Subcommittee 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 File, herewith transmitted:

H. F. No. 917

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 19, 1977

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H. F. No. 917: A bill for an act relating to public welfare; appropriating money for the Vinland National Center.

SUSPENSION OF RULES

Mr. Milton 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. 917 and that the rules of the Senate be so far suspended as to give H. F. No. 917 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 917 was read the second time.

H. F. No. 917: A bill for an act relating to public welfare; appropriating money for the Vinland National Center.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Laufenburger	Perpich	Staples
Ashbach	Engler	Lessard	Pillsbury	Strand
Bang	Frederick	Luther	Purfeerst	Stumpf
Benedict	Gearty	Menning	Renneke	Tennessee
Bernhagen	Gunderson	Merriam	Schaaf	Ueland, A.
Borden	Humphrey	Milton	Schrom	Ulland, J.
Brataas	Keefe, J.	Moe	Setzenfandt	Vega
Chmielewski	Keefe, S.	Nelson	Steloff	Willet
Coleman	Kirchner	Nichols	Sikorski	
Davies	Kleinbaum	Othoff	Sillers	
Dieterich	Knoll	Penny	Solon	

So the bill passed and its title was agreed to.

RECESS

Mr. Coleman moved that the Senate do now recess until 8:30 o'clock p.m. The motion prevailed.

The hour of 8:30 o'clock p.m. having arrived, the President called the Senate to order.

MEMBERS EXCUSED

Mr. Solon was excused from this evening's Session at 10:00 o'clock p.m.

CALL OF THE SENATE

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

Benedict	Gunderson	McCutcheon	Pillsbury	Stokowski
Borden	Hughes	Menning	Purfeerst	Strand
Chmielewski	Humphrey	Merriam	Renneke	Stumpf
Coleman	Keefe, S.	Milton	Schaaf	Tennessee
Davies	Kirchner	Nelson	Schmitz	Ueland, A.
Dieterich	Knoll	Nichols	Setzepfandt	Ulland, J.
Dunn	Laufenburger	Olhoft	Sikorski	Vega
Frederick	Lessard	Olson	Sillers	Willet
Gearty	Luther	Penny	Spear	

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Olhoft moved that H. F. No. 585 be recalled from the House of Representatives for further consideration. The motion prevailed.

APPOINTMENTS

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

H. F. No. 562, pursuant to the request of the House:

Messrs. Lessard, Laufenburger, and Frederick.

H. F. No. 1054, pursuant to the request of the House:

Messrs. Tennessee, Perpich, and Renneke.

S. F. No. 73, pursuant to the request of the Senate:

Messrs. Nichols, Setzepfandt, Renneke, Strand, and Hanson.

H. F. No. 522, pursuant to the request of the House:

Messrs. Anderson, Bernhagen, and Mrs. Staples.

S. F. No. 311, pursuant to the request of the Senate:

Messrs. Tennessen, Dieterich, and Davies.

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

Pursuant to Rule 21, Mr. Anderson moved that the following members be excused for a Conference Committee on H. F. No. 522: Messrs. Anderson, Bernhagen and Mrs. Staples. The motion prevailed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Merriam moved that S. F. No. 597 be taken from the table. The motion prevailed.

S. F. No. 597: A bill for an act relating to game and fish; requiring a migratory waterfowl stamp; providing for the disposition of proceeds; appropriating funds; amending Minnesota Statutes 1976, Chapter 97, by adding sections; Sections 98.46, Subdivision 2a; and 98.50, Subdivision 5.

CONCURRENCE AND REPASSAGE

Mr. Merriam moved that the Senate concur in the amendments by the House to S. F. No. 597 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 597 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 35 and nays 17, as follows:

Those who voted in the affirmative were:

Benedict	Hughes	Knutson	Olson	Spear
Coleman	Humphrey	Laufenburger	Pillsbury	Stumpf
Davies	Jensen	Luther	Purfeerst	Tennessen
Dieterich	Keefe, J.	Merriam	Renneke	Ueland, A.
Dunn	Keefe, S.	Milton	Schaaf	Ulland, J.
Engler	Kirchner	Nelson	Setzepfandt	Vega
Gearty	Knoll	Nichols	Sikorski	Willet

Those who voted in the negative were:

Ashbach	Johnson	Ogdahl	Sieloff	Wegener
Bang	Kleinbaum	Penny	Sillers	
Chmielewski	Lessard	Schmitz	Solon	
Gunderson	Menning	Schrom	Strund	

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

Without objection, the Senate reverted to the Order of Business of Messages From the House and First Reading of House Bills.

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. 649: A bill for an act relating to taxation; permitting certain appeals of assessments to the commissioner of revenue; providing for appointment of local assessors or termination of their offices; refining terms of senior citizens property tax freeze; eliminating assessors' bonds; eliminating certification of local treasurers' bonds; providing for appeal of property classification; defining certain powers of boards of equalization; clarifying redemption period for tax-forfeited lands; amending Minnesota Statutes 1976, Sections 270.11, Subdivision 7; 270.50; 273.011, Subdivision 4; 273.012, Subdivision 2; 273.04; 273.05, Subdivisions 1 and 2; 273.06; 273.061, Subdivision 3; 274.01, Subdivision 1; 274.13, Subdivision 1; 276.12; and 281.17; and Chapter 270, by adding a section.

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

Vanasek, Schulz and Evans.

Senate File No. 649 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 19, 1977

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 five members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 1337: A bill for an act relating to state employees; providing for wage and fringe benefits for certain state employees; ratifying collective bargaining agreements; providing emergency rule making authority; increasing salary ranges; appropriating money; amending Minnesota Statutes 1976, Chapter 43, by adding a section; Sections 43.09, Subdivision 3; 43.12, Subdivisions 2, 3, 5, 6, 7, 8, 10, 11, 14, 16, 17, and 18, and by adding a subdivision; 43.121, Subdivision 3; 43.122, Subdivision 3, and by adding a subdivision; 43.126, Subdivision 1; 43.323, by adding a subdivision; 43.42; 43.44, Subdivision 1; 43.46; and 43.50, Subdivision 1; repealing Minnesota Statutes 1976, Sections 43.09, Subdivision 7; and 43.12, Subdivisions 4 and 9.

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

Pehler, Sabo, Patton, Enebo and Arlandson.

Senate File No. 1337 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 19, 1977

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. 875 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 875: A bill for an act relating to the county of Hennepin; changing duties of personnel board; providing for referral of additional eligible names to fill vacancies; amending Laws 1965, Chapter 855, Section 4, Subdivision 2.

Senate File No. 875 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 19, 1977

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 motor vehicles; registration and taxation; increasing fees for filing applications; amending Minnesota Statutes 1976, Section 168.33, Subdivisions 2 and 7.

Senate File No. 932 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 19, 1977

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. 1290 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 1290: A bill for an act relating to juveniles; prescribing venue for neglect cases; amending Minnesota Statutes 1976, Section 260.121, Subdivision 1.

Senate File No. 1290 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 19, 1977

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. 160: 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 Min-

nesota Statutes 1976, Sections 15A.083, Subdivision 4; 124.212, Subdivision 11; 271.01, Subdivisions 1 and 4a, and by adding a subdivision; 271.02; 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, Subdivision 2; 271.12; 271.13; 271.15; 271.17; 271.18; 271.20; and 490.121, Subdivision 2; and Chapter 271, by adding sections; repealing Minnesota Statutes 1976, Sections 271.001; 271.01, Subdivisions 2 and 2a; 271.11; 271.14; and 271.16.

Senate File No. 160 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 19, 1977

CONCURRENCE AND REPASSAGE

Mr. Davies moved that the Senate concur in the amendments by the House to S. F. No. 160 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 160 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hughes	Laufenburger	Penny	Sillers
Brataas	Humphrey	Lessard	Perpich	Spear
Coleman	Jensen	Lewis	Pillsbury	Strand
Davies	Johnson	Luther	Purfeerst	Stumpff
Dieterich	Keefe, J.	Menning	Renneke	Tennessee
Dunn	Keefe, S.	Milton	Schaaf	Ueland, A.
Engler	Kirchner	Moe	Schrom	Ulland, J.
Frederick	Kleinbaum	Nelson	Setzepfandt	Vega
Gearty	Knoll	Nichols	Sieloff	Willet
Gunderson	Knutson	Olson	Sikorski	

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. 899: A bill for an act relating to nursing homes; clarifying requirements for administration and inspections; changing provisions for reimbursement of expenses for interest on capital indebtedness; deleting certain provisions and adding new provisions on investment allowance; providing depreciation allowances; providing for reimbursable expenses; providing for a study on nursing assistant training; authorizing Chisago county to issue revenue bonds to finance the cost of facilities for the county nursing home;

providing for the administration and rental of the facilities; amending Minnesota Statutes 1976, Sections 144.652, Subdivision 2; 144A.04, Subdivisions 3 and 5; 144A.05; 144A.10, Subdivisions 2 and 5; 144A.61, Subdivision 6; 256B.27, by adding a subdivision; 256B.43, by adding a subdivision; 256B.44, Subdivisions 2 and 3; 256B.45, Subdivisions 1 and 4; 256B.47, Subdivisions 1 and 2; 256B.48, Subdivision 1; Chapter 144A, by adding a section; and repealing Minnesota Statutes 1976, Section 256B.45, Subdivisions 2 and 3.

Senate File No. 899 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 19, 1977

Mr. Milton moved that S. F. No. 899 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. 1051.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 19, 1977

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H. F. No. 1051: A bill for an act relating to public welfare; aid to families with dependent children, medical assistance, and supplemental aid; altering eligibility criteria; appropriating money; amending Minnesota Statutes 1976, Sections 256.73, Subdivision 2; 256B.06, Subdivision 1; 256B.14; and 256D.37, Subdivision 2.

SUSPENSION OF RULES

Mr. Keefe, S. 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. 1051 and that the rules of the Senate be so far suspended as to give H. F. No. 1051 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 1051 was read the second time.

Mr. Keefe, S. moved to amend H. F. No. 1051 as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 256.73, Subdivision 2, is amended to read:

Subd. 2. [ALLOWANCE BARRED BY OWNERSHIP OF PROPERTY.] The ownership by father, mother, child, children, or any combination thereof, of property as follows shall be a bar to any allowance under sections 256.72 to 256.87:

(1) Real estate used as a home the market value of which less

encumbrances exceeds \$7,500; provided that real estate used as a home in excess of this amount will not be a bar to eligibility where the county welfare board determines that such real estate is not available for support of the family.

(2) Personal property of a reasonable market value in excess of \$300 for a one child recipient or \$500 for more than one child recipient, exclusive of personal property used as the home, insurance carried by a parent which does not exceed a cash surrender value of \$500, appropriate clothing, *the value of one automobile up to a maximum of \$1,500* and necessary household furniture and equipment, and of such tools, implements, and domestic animals as in the opinion of the county agency it is expedient to retain for the purpose of reducing the expense or increasing the income of the family, and the earnings of a dependent child which are placed in a savings account to be used for a future purpose approved by the county agency in accordance with the rules and regulations of the commissioner of public welfare; or

(3) Real estate not used as a home, provided that if such real estate does not produce net income sufficient to meet the family budget and there is no available market for the sale of such property, or if the price which can be obtained on the prevailing market is not fair and reasonable considering the applicant's interest therein and the possibilities of sale of said property for a greater amount within a reasonable length of time thereafter then in that event, in the discretion of the county agency, ownership of the same shall not be a bar to an allowance under sections 256.72 to 256.87. Net income shall be the residue after payment from gross income of taxes, insurance, maintenance, and interest on encumbrances, if any, on the property, provided that in computing net income the gross income shall not be charged with any expenses toward betterment of the property as improvements or by payment on the principal of a mortgage; provided, that the net income thus derived shall be applied on the family budget.

Sec. 2. Minnesota Statutes 1976, Section 256B.06, Subdivision 1, is amended to read:

256B.06 [ELIGIBILITY REQUIREMENTS.] Subdivision 1. Medical assistance may be paid for any person:

(1) Who is eligible for or receiving public assistance under the aid to families with dependent children program; or

(2) Who is eligible for or receiving supplemental security income for the aged, blind and disabled; or

(3) Who except for the amount of income or resources would qualify for supplemental security income for the aged, blind and disabled, or aid to families with dependent children and is in need of medical assistance; or

(4) Who is under 21 years of age and in need of medical care that neither he nor his relatives responsible under sections 256B.01 to 256B.26 are financially able to provide; or

(5) Who is residing in a hospital for treatment of mental disease or tuberculosis and is 65 years of age or older and without means sufficient to pay the per capita hospital charge; and

(6) Who resides in Minnesota, or, if absent from the state, is deemed to be a resident of Minnesota in accordance with the regulations of the state agency; and

(7) Who alone, or together with his spouse, does not have equity in real property in excess of \$15,000 \$25,000 ; and

(8) Who, if single, does not have more than \$750 in cash or liquid assets or, if married, whose cash or liquid assets do not exceed \$1,000 plus \$150 for each additional legal dependent , *except that the value of one automobile shall be disregarded up to \$1,500;* and

(9) Who has or anticipates receiving an annual income not in excess of \$2,600 for a single person, or \$3,250 for two family members (man and wife, parent and child, or two siblings), plus \$625 for each additional legal dependent, or who has income in excess of these maxima and in the month of application, or during the three months prior to the month of application, incurs expenses for medical care that total more than one-half of the annual excess income in accordance with the regulations of the state agency. In excess income cases, eligibility shall be limited to a period of six months beginning with the first of the month in which these medical obligations are first incurred.

Who has continuing monthly expenses for medical care that are more than the amount of his excess income, computed on a monthly basis, in which case eligibility may be established before the total income obligation referred to in the preceding paragraph is incurred, and medical assistance payments may be made to cover the monthly unmet medical need. In licensed nursing home and state hospital cases, both excess income and income over and above that required for justified needs are to be applied to the cost of institutional care; *provided, however, that the state agency, if permitted to do so by the department of health, education and welfare, shall by rule establish a sliding fee schedule based on income which will permit the spouse of a married person who is a resident of a nursing home, to retain a higher income than is otherwise provided by law;* and

(10) Who has applied or agrees to apply all proceeds received or receivable by him or his spouse from automobile accident coverage and private health care coverage to the costs of medical care for himself, his spouse, and children. The state agency may require from any applicant or recipient of medical assistance the assignment of any rights accruing under private health care coverage. Any rights or amounts so assigned shall be applied against the cost of medical care paid for under this chapter. Any assignment shall not be effective as to benefits paid or provided under automobile accident coverage and private health care coverage prior to receipt of the assignment by the person or organization providing the benefits.

Sec. 3. Minnesota Statutes 1976, Section 256D.37, Subdivision 2, is amended to read:

Subd. 2. The eligibility criteria for supplemental aid under this section shall be those in effect December 31, 1973 for the categorical aid programs of old age assistance, aid to the blind, and aid to the disabled. The local agency shall apply the relevant criteria to each application. ~~Effective July 1, 1974, the real property equity limitation for applicants other than the blind shall be \$12,000. Effective January 1, 1975,~~ The real property equity limitation for all applicants for supplemental aid under this section shall be \$15,000. *The value of one automobile up to \$1,500 shall be excluded from any limitations on personal property.* The local agency in its discretion may permit eligibility of an applicant having assets in excess of the amount prescribed in this section if liquidation of the assets would cause undue loss or hardship.

Sec. 4. *The sum of \$7,680,000 for the biennium ending June 30, 1979 is appropriated from the general fund to the department of public welfare for the purposes of this act.*"

Amend the title by striking it and inserting:

"A bill for an act relating to public welfare; changing eligibility standards for aid to families with dependent children, medical assistance, and supplemental aid; appropriating money; amending Minnesota Statutes 1976, Sections 256.73, Subdivision 2; 256B.06, Subdivision 1; and 256D.37, Subdivision 2."

The motion prevailed. So the amendment was adopted.

H. F. No. 1051 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 53 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Gearly	Laufenburger	Penny	Spear
Bang	Gunderson	Lessard	Perpich	Strand
Benedict	Hughes	Lewis	Pillsbury	Stumpf
Brataas	Humphrey	Luther	Purfeerst	Tennesen
Chmielewski	Johnson	Menning	Renneke	Ueland, A.
Coleman	Keefe, J.	Milton	Schaaf	Ulland, J.
Davies	Keefe, S.	Moe	Schmitz	Vega
Dieterich	Kirchner	Nelson	Setzepfandt	Wegener
Dunn	Kleinbaum	Nichols	Sieloff	Willet
Engler	Knoll	Olhoff	Sikorski	
Frederick	Knutson	Olson	Sillers	

Mr. Jensen voted in the negative.

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 967 a Special Order to be heard immediately.

H. F. No. 967: A bill for an act relating to education; quality education council; expanding duties and functions; amending Minnesota Statutes 1976, Sections 3.925 and 3.927.

Mr. Hughes moved to strike the amendment placed on H. F. No. 967 by the Committee on Finance, adopted by the Senate May 16, 1977.

The motion prevailed. So the amendment was stricken.

H. F. No. 967 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Luther	Perpich	Spear
Bang	Hughes	Menning	Pillsbury	Strand
Benedict	Humphrey	Milton	Renneke	Stumpf
Erataas	Johnson	Moe	Schmitz	Tennessee
Chmielewski	Keefe, J.	Nelson	Schrom	Ueland, A.
Coleman	Keefe, S.	Nichols	Setzepfandt	Ulland, J.
Dieterich	Knoll	Ogdahl	Sieloff	Vega
Dunn	Knutson	Olhoft	Sikorski	Willet
Engler	Laufenburger	Olson	Sillers	
Gearty	Lewis	Penny	Solon	

So the bill passed and its title was agreed to.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated S. F. No. 514 a Special Order to be heard immediately.

S. F. No. 514: A bill for an act relating to victims of crime; directing the commissioner of corrections to establish crime victim crisis centers; appropriating money.

Mr. Lewis moved to amend S. F. No. 514 as follows:

Page 2, line 28, strike "\$400,000" and insert "\$250,000"

Page 3, strike section 7

Mr. Tennessee requested division of the amendment as follows:

First portion:

Page 2, line 28, strike "\$400,000" and insert "\$250,000"

Second portion:

Page 3, strike section 7

The question was taken on the adoption of the first portion of the amendment. The motion prevailed. So the first portion of the amendment was adopted.

The question was taken on the adoption of the second portion of the amendment. The motion prevailed. So the second portion of the amendment was adopted.

S. F. No. 514 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 48 and nays 4, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Knutson	Perpich	Spear
Benedict	Hanson	Laufenburger	Peterson	Stokowski
Borden	Hughes	Lewis	Pillsbury	Strand
Brataas	Humphrey	Luther	Schaaf	Stumpf
Davies	Johnson	Menning	Schmitz	Ueland, A.
Dieterich	Keefe, J.	Milton	Setzepfandt	Ulland, J.
Dunn	Keefe, S.	Moe	Sieloff	Vega
Engler	Kirchner	Nelson	Sikorski	Wegener
Frederick	Kleinbaum	Olhoft	Sillers	
Gearty	Knoll	Penny	Solon	

Messrs. Chmielewski, Renneke, Tennessen and Willet voted in the negative.

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 180 a Special Order to be heard immediately.

H. F. No. 180: A bill for an act relating to health; appropriating 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 was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Knoll	Peterson	Spear
Bang	Gearty	Knutson	Pillsbury	Stokowski
Benedict	Gunderson	Laufenburger	Purfeerst	Strand
Borden	Hughes	Luther	Renneke	Stumpf
Brataas	Humphrey	Menning	Schaaf	Tennessen
Chmielewski	Johnson	Milton	Schmitz	Ueland, A.
Davies	Keefe, J.	Nelson	Schrom	Ulland, J.
Dieterich	Keefe, S.	Olhoft	Setzepfandt	Vega
Dunn	Kirchner	Penny	Sieloff	Wegener
Engler	Kleinbaum	Perpich	Sikorski	Willet

So the bill passed and its title was agreed to.

Mr. Keefe moved that S. F. No. 464 be stricken from General Orders and returned to its author. The motion prevailed.

Mr. Milton moved that S. F. No. 883 be stricken from General Orders and returned to its author. The motion prevailed.

Mr. Humphrey moved that S. F. No. 889 be stricken from General Orders and re-referred to the Committee on Governmental Operations. The motion prevailed.

Mr. Purfeerst moved that H. F. No. 1098 be stricken from General Orders and re-referred to the Committee on Employment. The motion prevailed.

Without objection, the Senate reverted to the Order of Business of Messages From the House.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 6:

H. F. No. 6: A bill for an act relating to human rights; prohibiting employment and education discrimination based on age; amending Minnesota Statutes 1976, Sections 363.01, by adding a subdivision; 363.02, Subdivision 1, and by adding a subdivision; 363.03, Subdivisions 1 and 5, and by adding a subdivision; 363.05, Subdivision 1; 363.11; 363.115; and 363.12, Subdivision 1.

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

Enebo, Patton and Kahn have been appointed as such committee on the part of the House.

House File No. 6 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 May 19, 1977

Mr. Spear moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 6, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 559:

H. F. No. 559: A bill for an act relating to education; higher education coordinating board; student financial aid; changing certain requirements for scholarships, aids and grants to students; increasing the bonding and loan making authority of the board; transferring the program of nursing student grants to the board; appropriating money; amending Minnesota Statutes 1976, Sections 136A.121; 136A.144; 136A.16, Subdivision 3, 4, 6 and 7; 136A.17, Subdivisions 3, 4, 5, 6, 7 and 8; 136A.171; 136A.233; and Chapter 136A, by adding a section.

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

Fugina, Kroening and Faricy have been appointed as such committee on the part of the House.

House File No. 559 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 May 19, 1977

Mr. Penny moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 559, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 315:

H. F. No. 315: A bill for an act relating to state government; state zoological board; providing for a member designated by the Dakota county board; amending Minnesota Statutes 1976, Section 85A.01, Subdivision 1.

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

Kempe, R.; Voss and Hokanson have been appointed as such committee on the part of the House.

House File No. 315 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 May 19, 1977

Mr. Vega moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 315, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 1300:

H. F. No. 1300: A bill for an act relating to outdoor recreation; appropriating money for acquisition and betterment of parks, trails, wildlife lands, outdoor athletic courts, and for other purposes; authorizing sale of bonds; amending Minnesota Statutes 1976, Sections 85.016; 97.49, Subdivision 3; 473.121, Subdivision 14; 473.302; 473.303, by adding a subdivision; 473.315, Subdivision 1; Chapter 4, by adding a section; and Chapter 85, by adding a section.

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

Casserly, Munger and Laidig have been appointed as such committee on the part of the House.

House File No. 1300 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 May 19, 1977

Mr. Borden, for Mr. Anderson, moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1300, and that a Conference Committee of 3 members be appointed by the Subcommittee 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.

MEMBERS EXCUSED

Mr. Schrom was excused from this evening's Session at 10:30 o'clock p.m.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Borden moved to take up the General Orders Calendar and waive the lie-over requirements. 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 Mr. Gearty reported that the committee had considered the following:

H. F. No. 8 which the committee reports progress, subject to the following motions:

Mr. Dieterich moved to amend H. F. No. 8, as amended pursuant to Rule 49, adopted by the Senate May 11, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 116.)

Page 5, line 9, after "sales" insert "of food and food related commodities"

Page 5, line 10, strike "\$1,000,000" and insert "\$1,200,000"

Page 5, line 13, after "sales" insert "of food and food related commodities"

Page 5, line 14, strike "\$1,000,000" and insert "\$1,200,000"

Page 6, after line 17 insert:

"Subd. 6. [HARDSHIP.] A seller may apply to the director of

the consumer services section for an exemption from the provisions of sections 1 to 5 and if the director finds that compliance with these provisions will cause a hardship to the seller, the director shall grant the exemption."

Page 7, line 2, strike "Violation of" and insert "[PENALTIES.] (a) Willful failure to comply with"

Page 7, line 2, after "act" insert "with respect to more than 15 percent of the commodities listed in section 1, subdivision 1, shall be a violation of this act and"

The motion prevailed. So the amendment was adopted.

The question was taken on the recommendation to pass H. F. No. 8.

The roll was called, and there were yeas 27 and nays 32, as follows:

Those who voted in the affirmative were:

Benedict	Hanson	Lewis	Schaaf	Tennessee
Borden	Hughes	Luther	Sikorski	Ulland, J.
Coleman	Humphrey	McCutcheon	Spear	Vega
Davies	Johnson	Merriam	Staples	
Dieterich	Keefe, S.	Milton	Stokowski	
Gearty	Knoll	Olhoft	Stumpf	

Those who voted in the negative were:

Ashbach	Gunderson	Lessard	Pillsbury	Strand
Bang	Jensen	Menning	Purfeerst	Ueland, A.
Brataas	Keefe, J.	Moe	Renneke	Wegener
Chmielewski	Kirchner	Nichols	Schmitz	Willet
Dunn	Kleinbaum	Olson	Schrom	
Engler	Knutson	Penny	Setzenfandt	
Frederick	Laufenburger	Peterson	Sieloff	

The motion did not prevail.

H. F. No. 8 was then progressed.

H. F. No. 242 which the committee reports progress, subject to the following motions:

Mr. Nichols moved to amend H. F. No. 242 as amended by the Committee on Commerce, adopted by the Senate May 3, 1977, as follows:

Page 4, after line 6, insert:

"Sec. 5. Minnesota Statutes 1976, Section 216B.01, is amended to read:

216B.01 [LEGISLATIVE FINDING.] It is hereby declared to be in the public interests that public utilities be regulated as hereinafter provided in order to provide the retail consumers of natural gas and electric service in this state with adequate and reliable services at reasonable rates, consistent with the financial and economic requirements of public utilities and their need to construct facilities to provide such services or to otherwise obtain energy supplies, to avoid unnecessary duplication of facilities which

increase the cost of service to the consumer and to minimize disputes between public utilities which may result in inconvenience or diminish efficiency in service to the consumers. Because municipal utilities are presently effectively regulated by the residents of the municipalities which own and operate them, it is deemed unnecessary to subject such utilities to regulation under Laws 1974, *this chapter 429* except as specifically provided herein. *Because cooperative electric associations are owned by the members whom they serve, it is deemed unnecessary to subject them to regulation of rates under this chapter.*

Sec. 6. Minnesota Statutes 1976, Section 216B.02, Subdivision 4, is amended to read:

Subd. 4. "Public utility" means persons, corporations or other legal entities, their lessees, trustees, and receivers, now or hereafter operating, maintaining, or controlling in this state equipment or facilities for furnishing at retail natural, manufactured or mixed gas or electric service to or for the public or its members, or engaged in the production and retail sale thereof but does not include a municipality, *and for the purposes of sections 216B.03, 216B.16, 216B.48, 216B.49, 216B.50 and 216B.51 only does not include a cooperative electric association, organized under the provisions of chapter 308* producing or furnishing natural, manufactured or mixed gas or electric service; *provided, however, that any cooperative electric association may elect to come under the rate regulatory provisions of this chapter.* Except as otherwise provided, the provisions of Laws 1974, *Chapter 429 this chapter* shall not be applicable to any sale of natural gas or electricity by a public utility to another public utility for resale. No person shall be deemed to be a public utility if it presently furnishes its services only to tenants in buildings owned, leased or operated by such person. No person shall be deemed to be a public utility if it presently furnishes service to occupants of a mobile home or trailer park owned, leased, or operated by such person. No person shall be deemed to be a public utility if it presently produces or furnishes service to less than 25 persons.

Sec. 7. Minnesota Statutes 1976, Section 216B.06, is amended to read:

216B.06 [RECEIVING DIFFERENT COMPENSATION.] No public utility shall directly or indirectly, by any device whatsoever, or in any manner, charge, demand, collect, or receive from any person a greater or less compensation for any service rendered or to be rendered by the utility than that prescribed in the schedules of rates of the public utility applicable thereto when filed in the manner provided in Laws 1974, *Chapter 429 this chapter*, nor shall any person knowingly receive or accept any service from a public utility for a compensation greater or less than that prescribed in the schedules, provided that all rates being charged and collected by a public utility upon January 1, 1975 may be continued until schedules are filed. Nothing in Laws 1974, *this chapter 429* shall prevent a cooperative association from returning to its patrons the whole, or any part of, the net earnings re-

sulting from its operations in proportion to their purchases from or through the association."

Page 5, after line 7, insert:

"Sec. 10. Minnesota Statutes 1976, Section 216B.17, is amended by adding a subdivision to read:

Subd. 6a. For the purposes of this section, public utility shall include cooperative electric associations with respect to service standards and practices only."

Page 17, line 12, strike "Section" and insert "Sections"

Page 17, line 12, after "239.20" insert "; 216B.48, Subdivision 7; 216B.49, Subdivision 6; 216B.50, Subdivision 2; 216B.51, Subdivision 2;"

Page 17, after line 13, insert:

"Sec 25. Sections 5 to 7, section 10, and the repeal of Minnesota Statutes 1976, Sections 216B.48, Subdivision 7; 216B.49, Subdivision 6; 216B.50, Subdivision 2; and 216B.51, Subdivision 2, shall be effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, after the semicolon insert "excluding electric cooperative associations from rate regulation;"

Page 1, line 10, after the second semicolon insert "216B.01; 216B.02, Subdivision 4; 216B.06;"

Page 1, line 10, after "216B.16, Subdivision 2;" insert "216B.17;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 33 and nays 25, as follows:

Those who voted in the affirmative were:

Borden	Hanson	Moe	Pillsbury	Ueland, A.
Brataas	Jensen	Nelson	Purfeerst	Ulland, J.
Chmielewski	Kirchner	Nichols	Renneke	Vega
Dunn	Knutson	Olhoff	Schmitz	Wegener
Engler	Laufenburger	Olson	Setzepfandt	Willet
Frederick	Lessard	Penny	Sieloff	
Gunderson	Menning	Peterson	Strand	

Those who voted in the negative were:

Bang	Gearty	Kleinbaum	Merriam	Spear
Benedict	Hughes	Knoll	Milton	Staples
Coleman	Humphrey	Lewis	Perpich	Stokowski
Davies	Johnson	Luther	Schaaf	Stumpf
Dieterich	Keefe, S.	McCutcheon	Sikorski	Tennessee

The motion prevailed. So the amendment was adopted.

H. F. No. 242 was then progressed.

H. F. No. 500, which the committee recommends to pass with the following amendments offered by Messrs. Borden and Luther:

Mr. Borden moved to amend H. F. No. 500, as amended pursuant to Rule, 49, adopted by the Senate April 25, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 668.)

Page 2, line 13, after the first comma, insert "*Pub. L. 87-128,*"

Page 2, line 13, strike everything after the second comma

Page 2, line 14, strike "*amended,*"

Page 3, line 23, strike "*and*" and insert "*or*"

Page 4, line 10, strike "*deeds*" and insert "*deed*"

Page 7, line 17, after "*county*" insert "*on or*"

Page 7, line 17, strike "*Bulletin*"

Page 7, line 18, strike "*of the Banking Division for publication in the*"

Page 8, line 28, strike "*pursusnt*" and insert "*pursuant*"

Page 13, line 10, after "*mortgagee*" insert "*offering the following option (c) to a mortgagor but*"

Page 13, line 30, after "*mortgagee*" insert "*offering option (c) above to mortgagor but*"

Page 14, line 6, strike "*this section*" and insert "*the provisions of this act amending the subdivision,*"

Page 14, line 6, after "*mortgagees*" insert "*offering option (c) above to mortgagors but*"

Page 14, line 9, before the period insert "*if the mortgagee continues to offer option (c) above to mortgagors*"

Page 14, line 12, after "*mortgage*" insert "*and offering option (c) above to a prospective mortgagor*"

Page 14, line 13, strike "*a*" and insert "*the*"

The motion prevailed. So the amendment was adopted.

Mr. Luther moved to amend H. F. No. 500, as amended pursuant to Rule 49, adopted by the Senate April 25, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 668.)

Page 12, line 8, strike "*three*" and insert "*four*"

The motion prevailed. So the amendment was adopted.

Mr. Dieterich moved to amend H. F. No. 500, as amended pursuant to Rule 49, adopted by the Senate April 25, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 668.)

Page 13, line 22, strike "*a non-interest*" and insert "*an interest*"

Page 13, line 23, after "(1)" insert "*with interest payable at a rate not less than four percent per annum,*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 12 and nays 42, as follows:

Those who voted in the affirmative were:

Dieterich	Luther	Perpich	Sikorski	Stumpf
Johnson	Milton	Schaaf	Spear	Vega
Keefe, S.	Nelson			

Those who voted in the negative were:

Ashbach	Frederick	Knoll	Pillsbury	Strand
Bang	Gearty	Knutson	Purfeerst	Tennessee
Bernhagen	Gunderson	Laufenburger	Renneke	Ueland, A.
Borden	Hanson	Lessard	Schmitz	Ulland, J.
Brataas	Humphrey	Menning	Setzepfandt	Wegener
Chmielewski	Jensen	Moe	Sieloff	Willet
Davies	Keefe, J.	Nichols	Sillers	
Dunn	Kirchner	Olhoff	Staples	
Engler	Kleinbaum	Peterson	Stokowski	

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

On motion of Mr. Coleman, the report of the Committee of the Whole, as kept by the Secretary, was adopted.

APPOINTMENTS

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

H. F. No. 559, pursuant to the request of the House:

Messrs. Penny, Moe, and Sillers.

H. F. No. 1300, pursuant to the request of the House:

Messrs. Anderson, Willet, and Kirchner.

H. F. No. 6, pursuant to the request of the House:

Messrs. Spear, Keefe, J. and Laufenburger.

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Gunderson moved that S. F. No. 263, No. 63 on General Orders, be stricken and returned to its author. The motion prevailed.

Mr. Laufenburger moved that S. F. No. 19, No. 3 on General Orders, be stricken and returned to its author. The motion prevailed.

Mr. Stumpf moved that S. F. No. 793, No. 25 on General Orders, be stricken and re-referred to the Committee on Natural Resources and Agriculture. The motion prevailed.

Mr. Coleman moved that the Senate do now adjourn until 10:00 o'clock a.m., Friday, May 20, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

FIFTY-NINTH DAY

St. Paul, Minnesota, Friday, May 20, 1977

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

CALL OF THE SENATE

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

Bang	Engler	Lessard	Purfeerst	Strand
Benedict	Frederick	Luther	Renneke	Stumpf
Bernhagen	Gearty	McCutcheon	Schaaf	Tennessee
Borden	Hanson	Menning	Schmitz	Ueland, A.
Brataas	Hughes	Moe	Schrom	Vega
Chmielewski	Jensen	Nelson	Sieloff	Wegener
Davies	Johnson	Ogdahl	Sikorski	Willet
Dieterich	Knoll	Penny	Spear	
Dunn	Laufenburger	Pillsbury	Stokowski	

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

Prayer was offered by the Chaplain, Divinity Student, Kevin McDonough.

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

Anderson	Frederick	Laufenburger	Penny	Spear
Ashbach	Gearty	Lessard	Perpich	Staples
Bang	Gunderson	Lewis	Peterson	Stokowski
Benedict	Hanson	Luther	Pillsbury	Strand
Bernhagen	Hughes	McCutcheon	Purfeerst	Stumpf
Borden	Humphrey	Menning	Renneke	Tennessee
Brataas	Jensen	Merriam	Schaaf	Ueland, A.
Chenoweth	Johnson	Milton	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Moe	Schrom	Vega
Coleman	Keefe, S.	Nelson	Setzepfandt	Wegener
Davies	Kirchner	Nichols	Sieloff	Willet
Dieterich	Kleinbaum	Ogdahl	Sikorski	
Dunn	Knoll	Olhoff	Sillers	
Engler	Knutson	Olson	Solon	

The President declared a quorum present.

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

Pursuant to Rule 21, Mr. Humphrey moved that the following

members be excused for a Conference Committee on S. F. No. 1467:

Messrs. Humphrey, Willet, Borden, Solon and Dunn. The motion prevailed.

Pursuant to Rule 21, Mr. Lewis moved that the following members be excused for a Conference Committee on S. F. No. 1416:

Messrs. Kirchner, Lewis, Milton, Moe and Perpich. The motion prevailed.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 18, 1977

The Honorable Edward J. Gearty
President of the Senate
Dear Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 32, 51, and 845.

Sincerely,
Rudy Perpich, Governor

May 19, 1977

The Honorable Edward J. Gearty
President of the Senate
Dear Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 125, 760, 1014, and 1017.

Sincerely,
Rudy Perpich, Governor

May 19, 1977

The Honorable Edward J. Gearty
President of the Senate
Dear Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 13, 69, 78, 99, 166, 188, 213, 319, 335, 465, 498, 499, 616, 667, 721, 737, 769, 827, 831, 833, 880, 903, 905, 914, 916, 919, 930, 963, 967, 969, 970, 972, 973, 1103, 1138, 1140, 1164, 1166, 1234, 1369, 1382, and 1423.

Sincerely,
Rudy Perpich, Governor

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Hughes, Stumpf, Strand and Gunderson introduced—

S. F. No. 1544: A bill for an act relating to education; requiring licensed chief school business officers in school districts of a certain size; appropriating money; amending Minnesota Statutes 1976, Section 121.11, Subdivision 13.

Referred to the Committee on Education.

Messrs. Humphrey, Chenoweth and Schaaf introduced—

S. F. No. 1545: A bill for an act relating to metropolitan government; exempting the metropolitan airports commission, metropolitan transit commission, and the metropolitan waste control commission from certain recording fees; providing for the filing of notices of claims against performance bonds on contracts let by the commissions; providing for shared use of local sewers by local government units; authorizing the waste control commission to establish a special contingency fund; amending Minnesota Statutes 1976, Sections 386.77; 473.515, by adding a subdivision; 473.517, Subdivision 1; and 574.31.

Referred to the Committee on Governmental Operations.

Mr. Purfeerst introduced—

S. F. No. 1546: A bill for an act relating to transportation; imposing an excise tax on the gross receipts from the sale at wholesale of gasoline and special fuels used in propelling motor vehicles on public highways; authorizing the issuance and sale of state bonds pursuant to Minnesota Statutes, Section 174.51 and Article XI of the Constitution for the design, construction and reconstruction of bridges and bridge approaches; establishing a special account in the Minnesota state transportation fund; appropriating money; amending Minnesota Statutes 1976, Chapter 296, by adding a section.

Referred to the Committee on Transportation.

Mr. Milton introduced—

S. F. No. 1547: 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.

Messrs. Merriam; Wegener; Olson; Ueland, A. and Vega introduced—

S. F. No. 1548: A bill for an act relating to courts; changing fees collected by court clerks for certain actions and services; amending Minnesota Statutes 1976, Sections 260.106, Subdivision 1; 357.021, Subdivision 2; 491.02; 517.08, Subdivision 1; and Chapter 525 by adding a section.

Referred to the Committee on Judiciary.

Mr. Knoll introduced—

S. F. No. 1549: A bill for an act relating to retirement; authorizing a combined service annuity and the purchase of prior service credit for certain university employees.

Referred to the Committee on Governmental Operations.

Messrs. Anderson, Coleman, Ashbach, Gearty and McCutcheon introduced—

S. F. No. 1550: A bill for an act proposing an amendment to the Minnesota Constitution, Article V, Sections 1, 3, and 4, Article VIII, Section 2, and Article XI, Sections 6, 7, 8 and 10; eliminating the offices of state auditor and treasurer.

Referred to the Committee on Governmental Operations.

Without objection, the Senate proceeded to the Order of Business of Reports of Committees, Second Reading of House Bills and Motions, and Resolutions.

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 were referred

H. F. Nos. 772 and 1631 for comparison to companion Senate Files, reports the following House Files were found not identical with their companion Senate Files as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
772	691				
1631	1530				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 772 be amended as follows:

Page 2, line 1, after the period insert "*The amount of the indemnity on each contract shall not exceed \$100,000.*"

Page 2, line 7, after "*owned*" insert "*and operated*"

Page 2, line 17, delete "*deprived*" and insert "*disadvantaged*"

Page 2, line 20, after the period insert *"Until January 1, 1978, each commissioner may adopt emergency rules pursuant to section 15.0412, subdivision 5, to implement the provisions of this section."*

Page 3, line 1, delete *"shall be"* and insert *"is"* and delete *"the"*

Page 3, line 3, delete everything after the period

Page 3, delete lines 4 to 7 and insert *"The money provided by this act shall not be used for agreements executed after June 30, 1979. The total amount indemnified shall not exceed \$4,500,000."*

And so when amended, H. F. No. 772 will be identical to S. F. No. 691 and further recommends that H. F. No. 772 be given its second reading and substituted for S. F. No. 691 and that the Senate File be indefinitely postponed.

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1631 be amended as follows:

Page 1, delete lines 15 to 23 and insert

"Subd. 2. [COMMISSIONER OF ADMINISTRATION; ARCHITECTURAL PLANS.] \$100,000 or as much thereof as necessary is appropriated from the Minnesota state building fund to the commissioner of administration to develop architectural plans for reducing the capacity of the present prison to 200 beds."

Page 2, line 32, delete *"state building fund"* and insert *"general fund"*

Page 3, line 8, delete *"\$34,766,000"* and insert *"\$34,370,000"*

Page 3, line 15, after *"5"* insert *", clause"*

Page 3, delete lines 22 to 29 and insert

"Sec. 8. By not later than April 1, 1978, the Minnesota legislature shall study any air pollution problems relative to the existing power plant at the Minnesota state prison, Stillwater, Minnesota and determine what course of action shall be taken regarding the problem."

Sec. 9. There is appropriated to the commissioner of administration from the general fund the sum of \$105,000 for the administration of this act."

Page 3, line 30, after *"10."* insert *"The sum of"* and after *"appropriated"* insert *"from the general fund"*

Page 3, line 31, delete *"from the general fund"*

Page 5, after line 12, insert

"Sec. 14. [PUBLIC LAND AND BUILDINGS; GENERAL FUND APPROPRIATIONS.] Subdivision 1. There is appropriated from the general fund, or other funds as designated, in the state treasury to the state agencies indicated the sums set forth in this section, to be expended in accordance with the provisions of this act."

Subd. 2. To the commissioner of administration for an office building study at Duluth \$25,000

Subd. 3. To the commissioner of administration for capitol remodeling \$100,000"

And when so amended, H. F. No. 1631 will be identical to S. F. No. 1530 and further recommends that H. F. No. 1631 be given its second reading and substituted for S. F. No. 1530 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. 772 and 1631 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Wegener moved that the name of Mr. Penny be added as co-author to S. F. No. 227. The motion prevailed.

Mr. Keefe, S. moved that the name of Mr. Sikorski be added as co-author to S. F. No. 464. The motion prevailed.

Mr. Sikorski moved that the names of Mrs. Staples, Messrs. Nelson, Luther and Vega be added as co-authors to S. F. No. 959. The motion prevailed.

Mr. Tennessen moved that H. F. No. 1276 be withdrawn from the Committee on Finance and re-referred to the Committee on Rules and Administration. The motion prevailed.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Senate Calendar and waive the lie-over requirements. The motion prevailed.

THIRD READING OF HOUSE BILLS

H. F. No. 756: A bill for an act relating to public lands; authorizing sale of certain state owned and tax forfeited lands for use in a taconite tailings disposal facility.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Hanson	Kirchner	Lewis
Bang	Coleman	Hughes	Kleinbaum	Luther
Benedict	Engler	Jensen	Knoll	McCutcheon
Bernhagen	Frederick	Johnson	Laufenburger	Menning
Brataas	Gearty	Keefe, J.	Lessard	Milton

Subd. 2. To the commissioner of administration for an office building study at Duluth \$25,000

Subd. 3. To the commissioner of administration for capitol remodeling \$100,000"

And when so amended, H. F. No. 1631 will be identical to S. F. No. 1530 and further recommends that H. F. No. 1631 be given its second reading and substituted for S. F. No. 1530 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. 772 and 1631 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Wegener moved that the name of Mr. Penny be added as co-author to S. F. No. 227. The motion prevailed.

Mr. Keefe, S. moved that the name of Mr. Sikorski be added as co-author to S. F. No. 464. The motion prevailed.

Mr. Sikorski moved that the names of Mrs. Staples, Messrs. Nelson, Luther and Vega be added as co-authors to S. F. No. 959. The motion prevailed.

Mr. Tennessen moved that H. F. No. 1276 be withdrawn from the Committee on Finance and re-referred to the Committee on Rules and Administration. The motion prevailed.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Coleman moved to take up the Senate Calendar and waive the lie-over requirements. The motion prevailed.

THIRD READING OF HOUSE BILLS

H. F. No. 756: A bill for an act relating to public lands; authorizing sale of certain state owned and tax forfeited lands for use in a taconite tailings disposal facility.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 51 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Chmielewski	Hanson	Kirchner	Lewis
Bang	Coleman	Hughes	Kleinbaum	Luther
Benedict	Engler	Jensen	Knoll	McCutcheon
Bernhagen	Frederick	Johnson	Laufenburger	Menning
Brataas	Gearty	Keefe, J.	Lessard	Milton

Moe	Perpich	Sikorski	Strand	Wegener
Nelson	Pillsbury	Sillers	Stumpf	Willet
Ogdahl	Purfeerst	Solon	Tennessen	
Olhoft	Renneke	Spear	Ueland, A.	
Olson	Schmitz	Stokowski	Ulland, J.	
Penny	Sieloff	Staples	Vega	

Mr. Dieterich voted in the negative.

So the bill passed and its title was agreed to.

H. F. No. 530: A bill for an act relating to insurance; regulating the use of credit life and credit health and accident insurance; eliminating level term credit life insurance; eliminating "pyramiding" of credit life insurance; permitting joint life credit insurance policies; permitting certain classes of credit accident and health insurance; amending Minnesota Statutes 1976, Sections 53.051; 56.15, Subdivision 2; 61A.12, by adding a subdivision; 62B.04, Subdivision 1; and 62B.05.

Was read the third and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Penny	Spear
Bang	Hanson	Lewis	Perpich	Staples
Benedict	Hughes	Luther	Peterson	Stokowski
Bernhagen	Jensen	McCutcheon	Pillsbury	Strand
Brataas	Johnson	Menning	Purfeerst	Stumpf
Chmielewski	Keefe, J.	Milton	Renneke	Tennessen
Coleman	Keefe, S.	Moe	Schmitz	Ueland, A.
Davies	Kirchner	Nelson	Sieloff	Ulland, J.
Dieterich	Kleinbaum	Ogdahl	Sikorski	Vega
Engler	Knoll	Olhoft	Sillers	Wegener
Frederick	Laufenburger	Olson	Solon	Willet

So the bill passed and its title was agreed to.

H. F. No. 1283: A bill for an act relating to economic development; industrial development bonds; removing requirement of approval by commissioner of economic development; amending Minnesota Statutes 1976, Section 474.01, Subdivision 7, and by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 48 and nays 3, as follows:

Those who voted in the affirmative were:

Bang	Davies	Hanson	Keefe, S.	Lewis
Benedict	Dieterich	Hughes	Kleinbaum	Luther
Bernhagen	Engler	Jensen	Knutson	McCutcheon
Brataas	Frederick	Johnson	Laufenburger	Menning
Chmielewski	Gearty	Keefe, J.	Lessard	Milton

Moe	Penny	Schmitz	Staples	Ulland, J.
Nelson	Peterson	Sieloff	Stokowski	Vega
Ogdahl	Pillsbury	Sikorski	Strand	Willet
Olhoff	Purfeerst	Sillers	Stumpf	
Olson	Renneke	Spear	Ueland, A.	

Messrs. Ashbach, Perpich and Tennesen voted in the negative.

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 181 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 181

A bill for an act relating to retirement; increasing the size of the boards of trustees of the public employees retirement association, Minnesota state retirement system, teachers retirement system and Minneapolis municipal employees retirement board; providing for election processes; survivor benefits for deceased legislators; making miscellaneous changes in the public employees retirement association provisions; amending Minnesota Statutes 1976, Sections 3A.04, Subdivision 1, and by adding a subdivision; 352.03, Subdivisions 1, 2, and by adding a subdivision; 353.01, Subdivisions 2a, 2b, 6, 15, and 20; 353.03, Subdivision 1; 353.27, Subdivision 4; 353.29, Subdivisions 4 and 8; 353.31, Subdivision 8; 353.32, Subdivision 7; 353.33, Subdivisions 1, 9 and 11; 353.36, Subdivision 2; 353.37; 353.46, by adding a subdivision; and 353.651, Subdivision 3; 354.05, by adding a subdivision; 354.06, Subdivision 1; 422A.02; and 422A.03, Subdivision 1; repealing Minnesota Statutes 1976, Sections 353.016; 353.018; 353.019; 353.03, Subdivision 2a; 353.31, Subdivision 11; 353.36, Subdivision 2d; 353.46, Subdivision 3; and 353.64, Subdivision 5.

May 18, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 181 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. 181 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1976, Section 3A.04, Subdivision 1, is amended to read:

3A.04 [SURVIVOR BENEFIT.] Subdivision. 1. [SURVIVING SPOUSE.] Upon the death of a member of the legislature while serving as such member after June 30, 1973, or upon the death

of a former member of the legislature with at least eight years of service as required by section 3A.02, subdivision 1, clause (1), the surviving spouse shall be paid a survivor benefit in the amount of one-half of the retirement allowance of the member of the legislature computed as though the member were at least age 60 on the date of his death and based upon his allowable service or eight years whichever is greater. *The augmentation provided in section 3A.02, subdivision 4, if applicable, shall be applied to the month of death. Upon the death of a former legislator receiving a retirement allowance, the surviving spouse shall be entitled to one-half of the amount of the allowance being paid to the legislator.* Such benefit shall be paid during the lifetime of the surviving spouse, but shall cease and terminate upon the remarriage of the surviving spouse.

Sec. 2. Minnesota Statutes 1976, Section 3A.04, Subdivision 2, is amended to read:

Subd. 2. [DEPENDENT CHILDREN.] Upon the death of a member of the legislature while serving as such member after June 30, 1973, or upon the death of a former member of the legislature with at least eight years of service as required by section 3A.02, subdivision 1, clause (1), each dependent child of such member shall be paid a survivor benefit in the following amount: First dependent child, a monthly allowance which equals 25 percent of the monthly retirement allowance of the member of the legislature computed as though the member were at least age 60 on the date of his death and based upon his allowable service or eight years whichever is greater; for each additional dependent child, a monthly allowance which equals 12½ percent of the monthly retirement allowance of the member 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 retirement allowance of the member computed as in the case of the first child. *The augmentation provided in section 3A.02, subdivision 4, if applicable, shall be applied to the month of death. Upon the death of a former legislator receiving a retirement allowance, the surviving dependent child shall be entitled to the applicable percentage of the amount of the allowance being paid to the former legislator.* The payments for dependent children shall be made to the surviving spouse or the guardian of the estate of the dependent children, if there is one. A posthumous child qualifies as a dependent child for benefits provided herein from the date of its birth.

Sec. 3. Minnesota Statutes 1976, Section 3A.04, is amended by adding a subdivision to read:

Subd. 1a. [INCREASE IN SURVIVOR BENEFITS.] *Survivor benefits provided in subdivision 1 authorized and in effect on the effective date of this act shall be increased by 25 percent, effective retroactively to January 1, 1974 or the date the survivor benefit became payable, whichever is later.*

Sec. 4. Minnesota Statutes 1976, Section 69.011, Subdivision 1, is amended to read:

69.011 [QUALIFYING FOR STATE AID.] Subdivision 1. [DEFINITIONS.] Unless the language or context clearly indicates that a different meaning is intended, the following words and terms shall for the purposes of this chapter and chapter 424 have the meanings ascribed to them:

(a) "Commissioner" means the commissioner or director of insurance.

(b) "Municipality" means any city of any class, and organized town.

(c) "Minnesota Firetown Premium Report" means a blank form containing space for reporting by insurers of fire, lightning, sprinkler leakage and extended coverage premiums less return premiums and dividends received upon risks located or to be performed in this state.

(d) "Firetown" means any municipality having a qualified fire department or a qualified incorporated fire department having a retirement plan.

(e) "Average State Aid" means the sum of the amount of aid apportioned for firemen pensions or services the previous two years plus the amount of aid computed for apportionment by the assessed property valuation and population basis for the current year divided by three.

(f) "Assessed Property Valuation" means latest available assessed value of all property in a taxing jurisdiction, whether such property is subject to taxation, or exempt from ad valorem taxation for any reason, appearing on abstracts filed with the commissioner of revenue or equalized by the state board of equalization.

(g) "Minnesota Aid to Police Premium Report" means a blank form containing space for reporting by each fire and casualty insurer of all premiums less return premiums and dividends received upon direct business received by it in this state, or by its agents for it, in cash or otherwise, during the preceding calendar year, with reference to insurance written for insuring against the perils contained in auto liability-bodily injury, auto liability-property damage, and auto physical damage as reported on lines 19, 20, and 21 of page 14 of the fire and casualty insurance companies annual financial statement which each insurer is required to file with the commissioner in accordance with the governing laws or regulations.

(h) "Police officer" means any person:

(1) Whose primary source of income derived from wages is from direct employment by a municipality or county as a law enforcement officer on a full time basis of not less than 30 hours per week;

(2) Who has been employed for a minimum of six consecutive months prior to December 31 preceding the date of the current year's certification pursuant to section 69.011, subdivision 2, clause (b);

(3) Who is sworn to enforce the general criminal laws of the state and local ordinances;

(4) Who is authorized to arrest with a warrant;

(5) Who is a member of a local police relief association or the public employees police and fire fund;

(6) Who, if employed in a municipality with a population of more than 1,000 inhabitants according to the most recent federal census, is certified or meets the requirements for certification by the Minnesota police officers training board; and

(7) Who meets the selection standards of the Minnesota police officers training board.

(i) "Full time equivalent number of police officers providing contract service" means the integral or fractional number of police officers which would be necessary to provide the contract service if all were employed on a full time basis as defined by the employing unit in the municipality receiving the contract service.

Sec. 5. Minnesota Statutes 1976, Section 69.011, Subdivision 2, is amended to read:

Subd. 2. [CLERK TO FILE CERTIFICATE.] (a) On or before March 1 annually the clerk of each municipality having a duly organized fire department as provided in subdivision 4, clause (1) or the secretary of nonprofit fire fighting corporations having a relief and retirement plan or incorporated firemen's relief association shall certify that fact and the fire personnel and equipment of the fire department as of the preceding December 31 to the commissioner on a form prescribed by him together with the other facts the commissioner may require. The certification shall be made to the commissioner in duplicate. Each copy of the certificate shall be duly executed and deemed an original. The commissioner shall forward one copy to the auditor of the county wherein the fire department is located and retain one copy.

(b) On or before March 1 annually the clerk of each municipality having a duly organized police department and having a duly incorporated relief association shall certify that fact to the county auditor of the county where the police department is located and to the commissioner on a form prescribed by him together with the other facts the commissioner or auditor may require.

On or before March 1 annually, the clerk of each municipality and the auditor of each county employing one or more police officers as defined in section 69.001, subdivision 5 69.011, subdivision 1, clause (h), shall certify the number of such police officers who were employed for a minimum of six months as of the preceding December 31, to the commissioner on forms prescribed by him. For purposes of sections 69.011 to 69.051, employment of a police officer shall commence when the police officer is entered on the payroll of the respective municipal police department or county sheriff's department. No police officer shall be included in the certification of the number of police officers by more than one municipality or county.

Sec. 6. Minnesota Statutes 1976, Section 69.021, Subdivision 5, is amended to read:

Subd. 5. [CALCULATION OF STATE AID.] The amount of state aid available for apportionment shall be two percent of the fire, lightning, sprinkler leakage and extended coverage premiums reported to the commissioner by insurers on the Minnesota Firetown Premium Report and two percent of the premiums reported to the commissioner by insurers on the Minnesota Aid to Police Premium Report. The amount for apportionment in respect to firemen's state aid shall not be greater or lesser than the amount of premium taxes paid to the state upon the premiums reported to the commissioner by insurers on the Minnesota Firetown Premium Report. The total amount for apportionment in respect to police state aid shall not be greater or lesser than the amount of premium taxes paid to the state upon the premiums reported to the commissioner by insurers on the Minnesota Aid to Police Premium Report. The total amount for apportionment in respect to police state aid shall be distributed to the counties for apportionment to municipalities maintaining police departments and to the county on the basis of the number of active police officers, as certified pursuant to section 69.011, subdivision 2, clause (b) who are members of the public employees police and fire fund or of a local retirement association. For purposes of sections 69.011 to 69.051, the term "police officer" means any person primarily employed by a municipality or a county as a full time salaried law enforcement officer sworn to enforce the general criminal laws of the state, authorized to arrest with a warrant, and certified or meeting the requirements for certification by the Minnesota police officers training board, except in municipalities with a population of less than 1,000. The commissioner shall calculate the percentage of increase or decrease reflected in the apportionment over or under the previous years *year's* available premiums *state aid* using the same premiums as a basis for comparison.

Sec. 7. Minnesota Statutes 1976, Section 69.021, Subdivision 6, is amended to read:

Subd. 6. [CALCULATION OF APPORTIONMENT OF AID TO COUNTIES.] With respect to firemen, one-half of the state aid available shall be distributed to the counties in proportion to their population as shown by the last official statewide federal census. The remaining one-half of the state aid available shall be distributed to the counties in proportion to their assessed property valuation, excluding mineral values.

In the case of incorporated or municipal fire departments furnishing fire protection to cities, towns or townships in other counties as evidenced by valid fire service contracts filed with the commissioner of insurance and county auditor the distribution to the respective counties shall be adjusted proportionately to take into consideration the crossover fire protection service. The amount of firemen's state aid apportioned to each county shall not be less than 100 percent nor more than 150 percent of the average state aid calculated for apportionment to the county. Provided that if the amount of aid so calculated is either greater

or less than the amount of aid available as calculated in subdivision 5 each county's proportionate share of the state aid shall be reduced or increased on a percentage basis so that the amount of aid apportioned shall not exceed the amount of tax collected. Other necessary adjustments shall be made to subsequent apportionments. No county shall receive less than provided for under this subdivision.

The state aid available in respect to police officers shall not exceed the amount of tax collected and shall be distributed to the counties in proportion to the total number of active police officers, as defined in section ~~69.021~~, subdivision 5 *69.011, subdivision 1, clause (h)*, in each county who are employed either by municipalities maintaining police departments or by the county. Any necessary adjustments shall be made to subsequent apportionments.

Sec. 8. Minnesota Statutes 1976, Section 69.021, Subdivision 7, is amended to read:

Subd. 7. [APPORTIONMENT OF AID TO MUNICIPALITIES AND FIREMEN'S RELIEF ASSOCIATIONS BY COUNTY AUDITOR.] (1) The county auditor shall apportion the state aid received by him relative to the premiums reported on the Minnesota Firetown Premium Reports filed pursuant to this chapter to each municipality and/or firemen's relief association certified to him by the commissioner in the same manner that state aid is apportioned to the counties, one-half in proportion to the population and one-half in proportion to the assessed property valuation of the fire towns in the county for which aid is apportioned. The county auditor shall apportion the amount of aid to each municipality and/or firemen's relief association in an amount not less than 100 percent nor more than 150 percent of the average state aid calculated for apportionment to the municipality and/or firemen's relief association. Provided that if the amount of aid so calculated is either greater or less than the amount of aid available as calculated in subdivision 5 each municipality's and/or firemen's relief association's proportionate share of the state aid shall be reduced or increased on a percentage basis so that the amount of aid apportioned shall not exceed the amount of tax collected. No municipality or firemen's relief association shall receive less than provided for under this subdivision.

In the case of municipalities or independent fire departments qualifying for the aid the county auditor shall calculate the state aid for the municipality or relief association on the basis of the population and the property valuation of the area furnished fire protection service by the fire department as evidenced by duly executed and valid fire service agreements filed with him. If one or more fire departments are furnishing contracted fire service to a city, town or township only the population and valuation of the area served by each fire department shall be considered in calculating the state aid and the fire departments furnishing service shall enter into an agreement apportioning among them-

selves the percent of the population and the assessed property valuation of each service area. Agreement shall be in writing and filed with the commissioner in duplicate. The commissioner shall forward one copy of the agreement to the county auditor of the county wherein the fire department is located and retain one copy.

In the case of cities of the first and second class the state aid calculated shall be paid directly to the treasurer of the relief association. In the case of all other municipalities and independent fire department relief associations or retirement plans the aid shall be paid to the treasurer of the municipality where the fire department is located and the treasurer of the municipality shall within 30 days transmit the aid to the relief association if the relief association has filed a financial report with the treasurer of the municipality and has met all other statutory provisions pertaining to the aid apportionment.

The county auditor and commissioner are hereby empowered to make rules and regulations to permit the administration of the provisions of this section.

(2) The county auditor shall apportion the state *police* aid received by him ~~relative to the premiums reported on the Minnesota Aid to Police Premium Reports filed pursuant to this chapter~~ to each municipality *and to the county* in the following manner:

(a) For all municipalities maintaining police departments and the county, the state aid shall be distributed by the county auditor in proportion to the total number of police officers, as defined in section ~~69.021, subdivision 5~~ *69.011, subdivision 1, clause (h)*, employed by each municipality and by the county. ~~No community shall receive less state aid than they received in 1975, and;~~

(b) For each municipality which contracts with the county for police service, a proportionate amount of the state aid distributed to the county based on the *full time equivalent* number of police officers providing contract service shall be credited against the municipality's contract obligation ;

(c) *For each municipality which contracts with another municipality for police service, a proportionate amount of the state aid distributed to the municipality providing contract service based on the full time equivalent number of police officers providing contract service on a full time equivalent basis shall be credited against the contract obligation of the municipality receiving contract service;*

(d) *No municipality entitled to receive police state aid shall be apportioned less police state aid for any year under Laws 1976, Chapter 315, than the amount which was apportioned to it for calendar year 1975 based on premiums reported to the commissioner for calendar year 1974; provided, the amount of police state aid to other municipalities within the county and to the county shall be adjusted in proportion to the total number of police officers in the municipalities and the county, so that the amount of police state aid apportioned shall not exceed the amount of police state aid available for apportionment .*

The county auditor and commissioner are hereby empowered to make rules and regulations to permit the administration of the provisions of this section.

Sec. 9. Minnesota Statutes 1976, Section 69.031, Subdivision 5. is amended to read:

Subd. 5. [DEPOSIT OF STATE AID.] (1) The municipal treasurer, when the state aid and tax is received by him, shall within 30 days after receipt pay over the portion of it attributed to premiums reported on the Minnesota Firetown Premium Report to the treasurer of the duly incorporated firemen's relief association if there is one organized and the association has filed a financial report with the municipality; but if there is no relief association organized, or if any association dissolve, be removed, or has heretofore dissolved, or has been removed as trustees of state aid, then the treasurer of the municipality shall keep the money in the municipal treasury as provided for in sections 424.30 and 424.31 and shall be disbursed only for the purposes and in the manner set forth in those sections.

(2) The municipal treasurer, upon receipt of the state aid and tax attributed to insurance premiums reported on the Minnesota Aid to Police Premium Report, shall disburse the state aid in the following manner.

(a) For a municipality in which a local police relief association exists and all police officers are members of the association, the total state aid shall be transmitted to the treasurer of the relief association within 30 days of the date of receipt of the state aid by the county auditor, and the treasurer of the relief association shall immediately deposit the total state aid in the special fund of the relief association upon receipt;

(b) For a municipality in which police retirement coverage is provided by the public employees police and fire fund and all police officers are members of the fund, the total state aid shall be applied toward the municipality's employer contribution to the public employees police and fire fund pursuant to section 353.65, subdivision 3, and any state aid in excess of the amount required to meet the employer's contribution pursuant to section 353.65, subdivision 3, shall also be contributed to the public employees police and fire fund and credited in the manner to be specified by the board of trustees of the public employees retirement association; or

(c) For a municipality in which both a police relief association exists and police retirement coverage is provided in part by the public employees police and fire fund, the municipality may elect at its option to transmit the total state aid to the treasurer of the relief association as provided in this subdivision, to use the total state aid to apply toward the municipality's employer contribution to the public employees police and fire fund subject to all the provisions set forth in clause (b), or to allot the total state aid proportionately to be transmitted to the police relief association as provided in this subdivision and to apply toward the municipality's employer contribution to the public employees police and

fire fund *subject to the provisions of clause (b) on the basis of the respective number of active full time police officers, as defined in section 69.021, subdivision 5 69.011, subdivision 1, clause (h)* .

(3) The county treasurer, upon receipt of the police state aid for the county, shall apply the total state aid toward the county's employer contribution to the public employees police and fire fund pursuant to section 353.65, subdivision 3, and any state aid in excess of the amount required to meet the employer's contribution pursuant to section 353.65, subdivision 3, shall also be contributed to the public employees police and fire fund and credited in the manner to be specified by the board of trustees of the public employees retirement association.

Sec. 10. Minnesota Statutes 1976, Section 352.03, Subdivision 1, is amended to read:

352.03. [BOARD OF DIRECTORS, COMPOSITION, EXECUTIVE DIRECTOR; DUTIES, POWERS.] Subdivision 1. [MEMBERSHIP OF BOARD; ELECTION; TERM.] The policy making function of the system is hereby vested in a board of seven *eight* members, who shall be known as the board of directors, hereinafter called the board. This board shall consist of three members appointed by the governor, one of whom shall be a constitutional officer or appointed state official and two public members knowledgeable in pension matters, and four state employees who shall be elected by state employees covered by the system *and one retired employee who shall be elected by retired employees* at a time and in a manner to be fixed by the board. Two board members, whose terms of office shall begin on the first Monday in March next succeeding their election, shall be elected biennially. The term of the two board members whose terms expire in 1968 shall terminate on the first Monday in March, 1968, and the terms of the two board members whose terms expire in 1970 shall terminate on the first Monday in March, 1970. *The elected retired board member shall serve a term commencing January 1, 1978 and terminating on the first Monday in March, 1980. Thereafter* the members of the board so elected shall hold office for a term of four years, *except the retired member whose term shall be two years*, and until their successors are elected, and have qualified. A state employee on leave of absence shall not be eligible for election or re-election to membership on the board of directors; and the term of any board member who is on leave for more than six months shall automatically terminate upon the expiration of such period.

Sec. 11. Minnesota Statutes 1976, Section 352.03, Subdivision 2, is amended to read:

Subd. 2. [VACANCY, HOW FILLED.] Any vacancy of a state employee *or retired employee* in the board caused by death, resignation, or removal of any member so elected shall be filled by the board for the unexpired portion of the term in which the vacancy occurs.

Sec. 12. Minnesota Statutes 1976, Section 352.03, is amended by adding a subdivision to read:

Subd. 4a. The board may consider, review and make recommendations regarding the financial and other needs of retired employees and may disseminate appropriate retirement information to the retired employee.

Sec. 13. Minnesota Statutes 1976, Chapter 352, is amended by adding a section to read:

[352.029] [COVERAGE FOR EMPLOYEES OF LABOR ORGANIZATIONS.] *Subdivision 1. [QUALIFICATIONS.] A former state employee who is an employee of a labor organization which is an exclusive bargaining agent representing state employees may elect pursuant to subdivision 2 to be covered by the state retirement system established by this chapter with respect to service with the labor organization unless specifically excluded under section 352.01, subdivision 2b.*

Subd. 2. [ELECTION.] A person described in subdivision 1 shall be covered by the state retirement system if written election to be covered is delivered to the executive director before July 1, 1977 or within 30 days of being employed by the labor organization, whichever is later.

Subd. 3. [CONTRIBUTIONS.] The employee, employer and additional employer contributions required pursuant to section 352.04 shall be the obligation of the employee who elects coverage under this section; provided, however, that the employing labor organization may pay the employer and employer additional contributions. Contributions made by the employee shall be made by salary deduction. The employing labor organization shall remit all contributions to the state retirement system pursuant to section 352.04.

Subd. 4. [PURCHASE OF PRIOR SERVICE CREDIT.] Any former state employee who elects membership pursuant to this section shall be allowed to make payment for service rendered prior to July 1, 1977 in a labor organization designated in subdivision 1; provided that the labor organization makes satisfactory certification of the prior service of the former state employee. Payment shall include all employee, employer and additional employer contributions at the rates in effect when the service was rendered plus interest at the rate of six percent per annum from the year of purchase to the date payment is made; provided, however, that the employing labor organization may pay the employer and employer additional contributions plus interest at the specified rate. Payment shall be made in one lump sum prior to July 1, 1982 or prior to retirement, whichever is earlier, and no allowable service with respect to such payment shall be credited to the employee's account until payment is received by the executive director.

Subd. 5. [BOARD MEMBERSHIP EXCLUDED.] Persons who become members of the state retirement system pursuant to this section shall not be eligible for election to the board of trustees.

Sec. 14. Minnesota Statutes 1976, Section 352B.01, Subdivision 3, is amended to read:

Subd. 3. "Allowable service" means (a) for those members defined in subdivision 2, clause (a), service for which payments have been made to the highway patrolmen's retirement fund, and (b) for those members defined in subdivision 2, clauses (b) and (c), service for which payments have been made to the highway patrolmen's retirement fund, service for which payments were made to the state police officers retirement fund after June 30, 1961, and all prior service which was credited to such member for service on or before June 30, 1961; provided that, after a member identified in clause (b) of this subdivision reaches the age of 60, each year of allowable service thereafter shall not be computed in determining his normal annuity unless he was employed as a state police officer before July 1, 1961. If such member was so employed before July 1, 1961 and reaches 60 years of age and has more than 30 years' allowable service at such time, each year *and completed month* of allowable service acquired by such member shall be computed in determining his normal annuity until such member reaches the age of 60. If such member was so employed before July 1, 1961, and has less than 30 years of allowable service when ~~he~~ *the member* reaches age 60, each year *and completed month* of allowable service acquired by such member shall be computed in determining ~~his~~ *the* normal annuity not to exceed 30 years of such allowable service. The *completed year* ~~such member reaches members reach age 60~~ may be ~~computed counted~~ *counted* in full in determining allowable service.

Sec. 15. Minnesota Statutes 1976, Section 352B.08, Subdivision 2, is amended to read:

Subd. 2. The annuity shall be paid in monthly installments equal to that portion of the average monthly salary of the member multiplied by two and one-half percent for each year *and pro rata for completed months* of service not exceeding 20 years and two percent for each year *and pro rata for completed months* of service in excess of 20 years. Effective June 1, 1973, "average monthly salary" shall mean the average of the monthly salaries for the five high years of service as a member. The monthly salary for the period prior to July 1, 1969 shall be deemed to be \$600. In lieu of the life annuity herein provided, the member or former member with 20 *ten* years or more of service may elect a joint and survivor annuity, payable to ~~his~~ *the* surviving spouse ~~during her natural for life~~, adjusted to the actuarial equivalent value of such life annuity. The joint and survivor annuity elected by a member may also provide that the elected annuity be reinstated to the life annuity herein provided, if after drawing the elected joint and survivor annuity, the spouse dies prior to the death of the member. This reinstatement shall not be retroactive but shall be in effect for the first full month subsequent to the death of the surviving spouse. This additional joint and survivor option with reinstatement clause shall be adjusted to the actuarial equivalent value of a regular life annuity. The member or former member with 20 *ten* years or more of allowable service may elect *credit is deemed to have elected* a 100 percent joint and survivor annuity ~~at any age but~~ payable only on or after ~~his~~ *the* member's 55th birthdate.

Sec. 16. Minnesota Statutes 1976, Section 352B.10, is amended to read:

352B.10. [DISABILITY BENEFITS.] (1) Any member less than 55 years of age, who shall become disabled and physically unfit to perform his duties as a direct result of an injury, sickness, or other disability incurred in or arising out of any act of duty, which shall render him *the member* physically or mentally unable to perform his or her duties, shall receive disability benefits during the period of such disability. The benefits shall be paid in monthly installments equal to that portion of the average monthly salary of the *beneficiary member* multiplied (a) by 50 percent and, (b) by an additional two percent for each year *and pro rata for completed months* of service in excess of 20 years.

(2) If a member is injured under circumstances which entitle him to receive benefits under the worker's compensation law, he shall receive the same benefits as provided in clause (1), less the amount paid to him in weekly benefits under the worker's compensation law.

(3) Any member who after not less than five years of service, before reaching the age of 55, terminates his employment because of sickness or injury occurring while not on duty and not engaged in state work entitling him *the member* to membership in the association, and the termination is necessary because the member is unable to perform his or her duties shall be entitled to receive a disability benefit. The benefit shall be in the same amount and *paid computed* in the same manner as if the *annuitant member* were 55 years of age at the date of his disability and the annuity were paid pursuant to section 352B.08. Should disability under this clause occur after five but in less than ten years service, the disability benefit shall be the same *computed* as though the member had at least ten years service.

(4) No member shall receive any disability benefit payment when there remains to his credit *the member has* unused annual leave or sick leave or under any other circumstances, when during the period of disability there has been no impairment of his salary and . Should such member or former member resume a gainful occupation and his or her earnings are less than his *the* salary received at the date of disability or the salary currently paid for similar positions, the association shall continue the disability benefit shall be continued in an amount which when added to such earnings does not exceed his *the* salary received at the date of disability or the salary currently paid for similar positions, which ever is higher, provided the disability benefit in such case does not exceed the disability benefit originally allowed.

(5) No disability benefit payment shall be made except upon adequate proof furnished to the association *director* of the existence of such disability, and during the time when any such benefits are being paid, the association *director* shall have the right, at reasonable times, to require the disabled former member to submit proof of the continuance of the disability claimed.

Sec. 17. Minnesota Statutes 1976, 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 transferred to the supplemental fund in accordance with subdivision 4 and section 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.

(3) Any permanent, fulltime 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, chief administrator, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan waste control commission as designated by the commission, and the chairman, executive director, and not to exceed nine positions at the division director or administrative deputy level of the metropolitan council as designated by the council; provided that upon initial designation of all positions provided for in this clause, no further designations or redesignations shall be made without approval of the board of directors of the Minnesota state retirement system, and

(6) *The executive director, associate executive director, and not to exceed nine positions of the higher education coordinating board in the unclassified service, as designated by the higher education*

coordinating board; provided that upon initial designation of all positions provided for in this clause, no further designations or re-designations shall be made without approval of the board of directors of the Minnesota state retirement system .

The eligibility to participate of those employees specified in clauses (4) and (5) employed in such positions on April 21, 1976, shall be retroactive to their date of appointment to such positions.

The eligibility to participate of those employees specified in clause (6) employed in such positions on the effective date of this section shall be retroactive to their date of appointment to such positions.

Sec. 18. Minnesota Statutes 1976, 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 14 15 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~~ Cities , and Association of Minnesota Counties; nine area trustees, who shall be elected from the membership *employed in one of the areas described below* by the members of the retirement association *employed in such area* except members of the police and fire fund; one trustee who shall be a retired annuitant elected *at large* by other annuitants; and one trustee who is a member of the police and fire fund elected *at large* by the membership of the police and fire fund. *The remaining trustee shall be elected prior to January 1 by the governing bodies of employee organizations, as defined in section 179.63, subdivision 5, representing association employees; provided that in making the election each employee organization shall have one vote for each association employee it represents. The respective governing bodies shall implement and administer a system for the election of this member and the filling of vacancies, and any dispute in the election process shall be resolved by the secretary of state.* 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 An area candidate shall submit at the time of filing a nominating petition signed by 25 or more members of the fund from the area of the candidate, 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 member may vote for more than one candidate but a blank~~

line shall be provided for a write in vote. A ballot indicating a vote for more than one person shall be void. 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. Except as provided in this section, 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. For the purpose of electing the nine area trustees, the state shall be divided into three areas as follows: Area one shall include Anoka, Hennepin, Ramsey and Washington counties. Area two shall include Big Stone, Swift, Kandiyohi, Meeker and Wright counties and all counties south thereof, except counties in area one. Area three shall include all the remaining counties of the state. If any governmental unit is located in more than one area, place of employment shall be deemed to be in the area in which the main office of the governmental unit is located. Each year for three years one area trustee shall be elected to a four-year term from each area by the members employed in the respective areas. In the fourth year one trustee shall be elected at large by the police and fire fund membership and one trustee elected at large by the annuitants.

Notwithstanding the foregoing, however, in order to provide for a transition to regional elections, in the year 1978 only, a retired trustee shall be elected by the annuitants, and three trustees shall be elected from each of the three areas by the members of the area who may vote for only one candidate. The annuitant candidate receiving the most votes shall serve a three-year term, the candidate in each area receiving the largest number of votes shall serve a four-year term, the candidate in each area receiving the second largest number of votes shall serve a two-year term and the candidate in each area receiving the third largest number of votes shall serve a one-year term. The 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. 19. Minnesota Statutes 1976, Section 353.01, Subdivision 2a, is amended to read:

Subd. 2a. [INCLUDED EMPLOYEES.] The following persons are included in the meaning of "public employee":

- (a) Elected or appointed officers and employees of elected officers.
- (b) District court reporters.
- (c) Officers and employees of the public employees retirement association.

(d) Employees of the League of Minnesota Municipalities Cities.

(e) Officers and employees of public hospitals, owned or operated by or an integral part of, any governmental subdivision or governmental subdivisions.

(f) Employees of a school district who receive separate salaries for driving their own buses.

(g) *Employees of the Association of Minnesota Counties.*

(h) *Employees of the Metropolitan Inter-County Council.*

(i) *Employees of the Minnesota Municipal Utilities Association.*

Sec. 20. Minnesota Statutes 1976, Section 353.01, Subdivision 2b, is amended to read:

Subd. 2b. [EXCLUDED EMPLOYEES.] The following persons are excluded from the meaning of "public employee":

(a) Persons employed for professional services where such service is incidental to regular professional duties.

(b) Election officers.

(c) Independent contractors and their employees.

(d) Patient and inmate help in governmental subdivision charitable, penal and correctional institutions.

(e) Members of boards, commissions, bands and others who serve the governmental subdivision intermittently.

(f) Employees who hold positions of an essentially temporary or seasonal character, provided such employment does not continue for a period in excess of 120 working days in any calendar year. In the event such employees receive compensation on a monthly salary basis, each calendar month for which they are so paid shall constitute 30 working days; however, Immediately following the expiration of such 120 working days if such employees continue in public service and earn in excess of \$150 \$250 in any one calendar month, the department heads must then report all such employees for membership and must cause employee contributions to be made on behalf of such employees in accordance with section 353.27, subdivision 4, and they shall remain members until termination of public service.

(g) Parttime employees who receive monthly compensation not exceeding \$150 \$250, and parttime employees and elected officials whose annual compensation is stipulated in advance to be not more than \$1,800 \$3,000 per year, except that members shall continue their membership until termination of public service.

(h) Persons who first occupy an elected office after February 1, 1969, the compensation for which does not exceed \$150 per month.

(i) Emergency employees who are employed by reason of work caused by fire, flood, storm or similar disaster.

(j) Employees who by virtue of their employment are required to contribute to any other pension, relief or retirement fund established for the benefit of officers and employees of a governmental subdivision, except as an act of the legislature has specifically enabled participation by employees of a designated governmental subdivision in a plan supplemental to the public employees retirement association; provided that this clause shall not prevent a person who belongs to the public employees retirement association from also belonging to or contributing to a volunteer firemen's relief association that does not determine its benefits or contributions on the basis of the salary or compensation of the fireman.

(k) Police matrons employed in a police department of any city who are transferred to the jurisdiction of a joint city and county detention and corrections authority.

(l) Persons who make application to be exempted from membership in the public employees retirement association, due to membership in any religious organization which has been organized five years or more, and whose customs, rites or religious beliefs forbid their membership in any public retirement association, providing such persons file an application stating the applicable provisions of their religious organization, confirmed by such organization, and waive all claims for retirement annuities or benefits of any kind pursuant to this charter *Chaplains and nuns who have taken a vow of poverty as members of a religious order.*

(m) Students who are occasionally employed part time by a governmental subdivision in any capacity and Full time students who are enrolled and are regularly attending classes at an accredited school, college or university; provided, no full time public employees shall be exempt under this paragraph and any such employees presently exempt hereunder shall become members as of July 1, 1976.

(n) Resident physicians, medical interns and pharmacist interns who are serving in public hospitals.

(o) Appointed or elected officers, paid entirely on a fee basis, and who were not members on June 30, 1971.

(p) Nothing in Laws 1973, Chapter 753 shall be interpreted to impair or revoke any option exercised under Laws 1963, Chapter 793.

Sec. 21. Minnesota Statutes 1976, Section 353.01, Subdivision 6, is amended to read:

Subd. 6. [GOVERNMENTAL SUBDIVISION.] "Governmental subdivision" means a county, city, town, school district within this state, or a department or unit of state government, the League of Minnesota Municipalities, or any public body whose revenues are derived from taxation, fees, assessments or from other sources, but does not mean any municipal housing and redevelopment authority organized under the provisions of sections 462.415 to 462.-

711; or any port authority organized pursuant to chapter 458; or any soil conservation district organized pursuant to chapter 40; or any hospital district organized or reorganized prior to July 1, 1975 pursuant to legislation enacted by the 1959 Legislature.

Sec. 22. Minnesota Statutes 1976, Section 353.01, Subdivision 15, is amended to read:

Subd. 15. [DEPENDENT CHILD.] "Dependent child" means any natural or adopted child of a deceased member, provided such child is (a) under the age of 18, (b) age 18 through 21 and a full time student, and in either case unmarried and dependent for more than one-half of his support upon such member at the time of death and for not less than 90 days prior thereto; provided, that effective retroactively to April 30, 1970 the child of a deceased member, who at the time of his death was receiving total and permanent disability benefits pursuant to section 353.33, shall be deemed dependent if he was dependent upon the decedent for more than one-half of his support during the 90 days prior to the decedent's becoming totally and permanently disabled; except that no payment in behalf of such a dependent child shall commence prior to July 1, 1971. It also includes any child of the member conceived during his lifetime and born after his death in any case where a member died after July 1, 1957. It also means any dependent child who is the subject of adoption proceedings filed by a member, and who within two years after death of the member, by judgment and decree duly entered, is adjudged to be the adopted child of the deceased member; subject, however, to the qualifying conditions of age and dependency aforesaid and the dependency of the child hereunder shall date from the decree of adoption.

Sec. 23. Minnesota Statutes 1976, Chapter 353, is amended by adding a section to read:

[353.022] [HENNEPIN AND SCOTT SOIL AND WATER CONSERVATION DISTRICTS EMPLOYEES.] *From and after July 1, 1977, employees of the Hennepin and the Scott soil and water conservation districts shall become coordinated members of the public employees retirement association, unless specifically excluded under section 353.01, subdivision 2b, and, notwithstanding section 353.01, subdivision 6, the districts shall be deemed governmental subdivisions for purposes of this chapter.*

Sec. 24. Minnesota Statutes 1976, Section 353.27, Subdivision 4, is amended to read:

Subd. 4. [EMPLOYERS REPORTING REQUIREMENTS; CONTRIBUTIONS; MEMBER STATUS.] The head of each department is hereby directed to cause employee contributions to be deducted at least once each month from the salary of each member and to issue or approve one voucher payable to the state treasurer for the aggregate amount so deducted from such salaries, and at the same time to issue or approve one voucher for the aggregate amount of the employer contributions and the additional employer contributions for the same period of employment as that covered by the employee contributions, and to cause the same to be remitted with-

in 15 days thereafter to the executive director. The head of each department shall, for each pay period in which employee contributions are deducted, submit to the association a salary deduction report, in the form prescribed by the board of trustees, or in lieu thereof a carbon or duplicate copy of departmental payroll abstract, showing (a) the legal names and the association membership numbers, listed in alphabetical or association membership number sequence, of all members; (b) the legal names of all new public employees and the effective dates of appointment; (c) the amount of each salary deduction; (d) the amount of salary from which each deduction was made; (e) effective dates of all terminations of public service on account of members and if such terminations were caused by death or retirement, there shall be inserted after such date the applicable word, "death" or "retirement"; and (f) effective dates of all temporary layoffs and leaves of absence and if such leaves are sick leaves, there shall be inserted after such date the words, "sick leave." Additionally, reports of contributions shall be accompanied by a membership enrollment form for each new employee in the form prescribed by the board, and it shall be the responsibility of department heads to obtain such enrollment forms from new employees for prompt submission to the association. The employers shall furnish such additional reports or punch cards as may be requested by the association executive director.

Sec. 25. Minnesota Statutes 1976, Section 353.29, Subdivision 4, is amended to read:

Subd. 4. [APPLICATION FOR ANNUITY.] Application for retirement annuity may be made by a member or by someone authorized to act in his behalf. Every application for retirement, in the form prescribed by the board of trustees, shall be substantiated in writing by proof of (a) age of the employee and (b) his public service, which shall be submitted by the employee and employer, respectively.

Sec. 26, Minnesota Statutes 1976, Section 353.29, Subdivision 8, is amended to read:

Subd. 8. [ANNUITIES; PAYMENT; EVIDENCE OF RECEIPT.] Payment of any annuity or benefit for a given month shall be mailed by the association to the annuitant, recipient of a disability benefit, or survivor, during the first week of the next ensuing month. Evidence of receipt of every warrant issued by the association in payment of an annuity or benefit shall be submitted by the payee thereof to the association quarterly beginning with the June, 1975 payments, together with a written declaration that the annuitant or recipient of a disability benefit has or has not returned to public service; that the surviving dependent spouse has or has not remarried; and shall be furnished on forms provided by the executive director thereof, before the association shall pay to the annuitant, disability recipient, or survivor for the next ensuing month, the annuity or benefit to which he otherwise may be entitled.

Sec. 27. Minnesota Statutes 1976, Section 353.31; Subdivision 8, is amended to read:

Subd. 8. [ACCRUAL OF BENEFITS.] All benefits under this section and survivor benefits otherwise provided in this chapter when payable to persons qualifying therefor shall accrue on the first day following the death of a "basic member" or annuitant, whichever is applicable. No payment may be made ~~(a)~~ retroactively for more than 12 months prior to that month in which the application is filed, ~~or (b) for the month, or any portion thereof, and no benefit shall accrue beyond the end of the month in which entitlement to such benefits has terminated. This subdivision shall have retroactive effect to January 1, 1969.~~

Sec. 28. Minnesota Statutes 1976, Section 353.32, Subdivision 7, is amended to read:

Subd. 7. [CERTAIN PAID PENALTIES.] A member, former member, beneficiary, legal representative, or next of kin shall be paid on demand the full amount of any additional penalty paid into the retirement fund by the member, former member, or deceased member in accordance with the provisions of Laws 1937, Chapter 466, Section 2; Laws 1947, Chapter 18, Section 2, or any rules made by the board of trustees pursuant to these laws, without interest thereon unless the additional penalty was previously refunded upon retirement of the said member or former member.

Sec. 29. Minnesota Statutes 1976, Section 353.33, Subdivision 1, is amended to read:

353.33 [TOTAL AND PERMANENT DISABILITY BENEFITS.] Subdivision 1. [AGE, SERVICE AND SALARY REQUIREMENTS.] After June 30, 1973 any member who becomes totally and permanently disabled before age 65 and after ten years of allowable service or after age 50 but before age 65 with five years of allowable service, whichever is sooner, shall be entitled to a disability benefit in an amount provided in subdivision 3. If such disabled person's public service has terminated at any time, at least five of the required ten years of allowable service must have been rendered after last becoming a member. Any member whose average salary is less than \$75 per month shall not be entitled to a disability benefit.

Sec. 30. Minnesota Statutes 1976, Section 353.33, Subdivision 9, is amended to read:

Subd. 9. [RETURN TO PUBLIC SERVICE.] Any person receiving a disability benefit who is restored to active public service except persons receiving benefits as provided in subdivision 7, shall have deductions taken for the retirement fund and upon subsequent retirement have his retirement annuity based upon all allowable service including that upon which the disability benefits were based. No person shall be entitled to receive disability benefits and a retirement annuity at the same time.

Sec. 31. Minnesota Statutes 1976, Section 353.36, Subdivision 2, is amended to read:

Subd. 2. [EMPLOYEE CONTRIBUTIONS; INTEREST; MATCHING PAYMENT.] A person who has at least one year of

allowable service with the association and who has prior public service on which salary deductions were not taken for the retirement fund and who does not have the required minimum number of years of allowable service credit to qualify for an annuity, may apply for such annuity if otherwise qualified, and within 90 days thereafter purchase whatever period of said public service is necessary to bring his total allowable service credit to said minimum, provided that last service shall be purchased first. Such person may gain such allowable service credit by paying six percent of the salary covered under the law in effect at the time that such public service was performed, with interest thereon at the rate of six percent per annum compounded annually from the date first payable to the date payment is made, plus a matching amount, unless the employer agrees to pay said matching amount pursuant to subdivision 2a. An annuity shall accrue as provided in section 353.29, subdivision 7, but no annuity shall be paid until the applicant's payment is made in full for the prior public service; if said payment is not made within such 90 days, the application for retirement shall be void.

Sec. 32. Minnesota Statutes 1976, Section 353.37, is amended to read:

353.37 [PUBLIC RE-EMPLOYMENT OF ANNUITANT.]
Subdivision 1. [EFFECT ON ANNUITIES.] The annuity of a person otherwise eligible therefor under this chapter shall be suspended if he re-enters and as long as he remains in public service as a non-elective employee of a governmental subdivision, if his earned compensation for such service exceeds \$3,000 in any calendar year. The suspension of the annuity shall commence as of the first of the month in which the maximum permitted compensation is exceeded as herein provided, but shall not apply to any months in which the annuitant is not actually employed in non-elective service in a position covered by this chapter. Any annuitant of the association, who is elected to public office after his retirement following June 30, 1959 shall be entitled to hold such office and receive his annuity otherwise payable from the public employees retirement association from and after July 1, 1959. Upon proper showing by an annuitant that this ineligibility no longer exists, the monthly annuity payments shall be resumed. Public service performed by an annuitant subsequent to his retirement under this chapter does not increase or decrease any annuity when payments thereof are resumed. The annuitant is not required to make any further contributions to the retirement fund by reason of this subsequent public service.

Subd. 1a. [EFFECT ON PROPORTIONATE ANNUITY.] Notwithstanding Minnesota Statutes, Section 356.32 or any other provision of law, persons employed by a governmental subdivision that requires termination of employment pursuant to a uniformly applied mandatory retirement policy or law in accord with said section may receive a proportionate annuity under said section, if qualified, even if they or others are employed as substitute employees after age 65. For the purpose of this section a substitute employee is one who earns less than \$3,000 in any calendar year.

Sec. 33. Minnesota Statutes 1976, Section 353.46, is amended by adding a subdivision to read:

Subd. 1a. [PURCHASE OF ALLOWABLE SERVICE; ANNUITY.] A person who purchased allowable service in the public employees retirement association for a period of time including June 30, 1957, but was not in fact a member of such association on June 30, 1957, shall not be entitled to receive retirement annuity computed under Minnesota Statutes 1957, Section 353.46, Subdivision 1, and laws amendatory thereto. This section shall have retroactive application to any such person receiving or found eligible by the district court to receive benefits calculated under section 353.46, subdivision 1, and laws amendatory thereto.

Sec. 34. Minnesota Statutes 1976, Section 353.651, Subdivision 3, is amended to read:

Subd. 3. [RETIREMENT ANNUITY FORMULA.] The average salary as defined in subdivision 2, multiplied by two and one-half percent per year of allowable service for the first 20 years and two percent per year of allowable service thereafter, shall determine the amount of the "normal" retirement annuity; provided, however, if the annuity calculated hereunder is less than the annuity calculated under the law in effect on June 30, 1973, this latter amount shall be the "normal" annuity. If the member has earned allowable service for performing services other than those of a police officer or fire fighter, the annuity representing such service shall be computed in accordance with sections 353.29 and 353.30.

Sec. 35. Minnesota Statutes 1976, Section 354.05, is amended by adding a subdivision to read:

Subd. 36. [RETIREE OF FUND.] "Retiree of fund" means any former member who has retired as provided in this chapter.

Sec. 36. Minnesota Statutes 1976, Section 354.06, Subdivision 1, is amended to read:

354.06 [BOARD OF TRUSTEES; MEMBERSHIP; DUTIES.]
Subdivision 1. The management of the fund shall be vested in a board of seven eight trustees to be known as the board of trustees of the teachers retirement fund. It shall be composed of the following persons: the commissioner of education, the commissioner of finance, the commissioner of insurance, and four members of the fund who shall be elected by mail ballot for terms of four years by the members of the fund in a manner to be fixed by the board of trustees of the fund and one retiree who shall be elected by the retirees of the fund. The five elected members of the board of trustees shall be chosen by mail ballot in a manner to be fixed by the board of trustees of the fund. In every odd numbered year there shall be elected two members of the fund to the board of trustees for terms of four years commencing on the first of July next succeeding their election. Commencing in 1977 and every two years thereafter there shall be elected one retiree of the fund to the board of trustees for a term of two years commencing on the first of July next succeeding his election except that the first term

served by a retiree shall be for a period of 20 months commencing on November 1, 1977. Each election shall be completed by June 1st first of each succeeding odd numbered year except that the first election of a retiree shall be completed by October 1, 1977. In the case of elective members, vacancies shall be filled by appointment by the remainder of the board, the appointee to serve until the members or retirees of the fund at the next regular election have elected a trustee to serve for the unexpired term caused by such vacancy. No member or retiree shall be appointed by the board, or elected by the members of the fund as a trustee who is not a member or retiree of the fund in good standing at the time of such appointment or election. 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 which aid in financing it and the teachers who are its beneficiaries.

Sec. 37. Minnesota Statutes 1976, Section 354.44, Subdivision 1a, as amended by Laws 1977, Chapter 67, Section 8, is amended to read:

Subd. 1a. [MANDATORY RETIREMENT.] Notwithstanding the provisions of sections 43.30 or 197.45 to 197.48, a member shall terminate employment on August 31, 1976, or at the end of the academic year in which the member reaches the age of 65, whichever is later. For purposes of this subdivision, an academic year shall be deemed to end August 31. A member who terminates employment at any time during the academic year at the end of which such person is required to terminate employment pursuant to this subdivision shall, for the purpose of determining eligibility for a proportionate retirement annuity, be considered to have been required to terminate employment at age 65 or earlier pursuant to this subdivision. Nothing contained in this subdivision shall preclude a school district, the Minnesota school for the deaf, or the Minnesota braille and sight saving school an employer unit covered by this chapter from employing a retired teacher as a substitute or part time teacher; provided, no teacher required to terminate employment by this subdivision shall resume membership in the retirement association by virtue of employment as a substitute or part time teacher; provided further that upon having earned \$3,000 in any academic year from employment as a substitute or part time teacher, any person over the age of 65 years shall terminate employment for the remainder of that academic year.

Sec. 38. Minnesota Statutes 1976, Chapter 355, is amended by adding a section to read:

[355.201] [DEFINITIONS.] *Subdivision 1. For the purposes of sections 38 to 46 of this act, the terms defined in this section shall have the meaning ascribed to them.*

Subd. 2. "Enabling act" means sections 355.01 to 355.07.

Subd. 3. The terms "social security act", "state agency", "employment", "wages", "contribution fund", "Federal Insurance Con-

tributions Act", and "political subdivision" mean as defined in the enabling act.

Subd. 4. "Teacher" means all employees of political subdivisions who hold positions covered by the St. Paul teachers retirement fund association established under the provisions of chapter 354A.

Sec. 39. Minnesota Statutes 1976, Chapter 355, is amended by adding a section to read:

[355.202] [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, 1978, in accordance with the provisions of section 218 (d) (6) (C) of the social security act, for teachers.

Sec. 40. Minnesota Statutes 1976, Chapter 355, is amended by adding a section to read:

[355.203] [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. 41. Minnesota Statutes 1976, Chapter 355, is amended by adding a section to read:

[355.204] [DIVISION OF THE ST. PAUL 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 St. Paul 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 St. Paul 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. 42. Minnesota Statutes 1976, Chapter 355, is amended by adding a section to read:

[355.205] [TRANSFER OF MEMBERS.] *In accordance with section 218 (d) (6) (F) of the social security act, and when the St. Paul 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. 43. Minnesota Statutes 1976, Chapter 355, is amended by adding a section to read:

[355.206] [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 St. Paul teachers retirement fund association, he shall so certify to the secretary of health, education, and welfare.*

Sec. 44. Minnesota Statutes 1976, Chapter 355, is amended by adding a section to read:

[355.207] [AGREEMENTS WITH FEDERAL AGENCY.] *Upon the governor's certification pursuant to section 43 of this act, the state agency, with the approval of the governor, shall be authorized after June 30, 1978, 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. 45. Minnesota Statutes 1976, Chapter 355, is amended by adding a section to read:

[355.208] [EMPLOYER CONTRIBUTIONS.] *Contributions required under the agreement or modification entered into pursuant to section 44 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. 46. Minnesota Statutes 1976, Chapter 355, is amended by adding a section to read:

[355.209] [EMPLOYEE CONTRIBUTIONS; DEDUCTION FROM WAGES.] *After the date the agreement or modification is entered into pursuant to section 44 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. 47. Minnesota Statutes 1976, Section 355.281, is amended 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 1978, in accordance with the provisions of section 218 (d) (6) (C) of the social security act, for teachers.

Sec. 48. Minnesota Statutes 1976, Section 355.286, is amended to read:

355.286 [AGREEMENTS WITH FEDERAL AGENCY.] Upon the governor's certification pursuant to section 355.285, the state agency, with the approval of the governor, shall be authorized after June 30, 1977 1978, 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. 49. Minnesota Statutes 1976, Section 356.34, Subdivision 1, is amended to read:

356.34 [LIMITATION ON AVERAGE SALARY FOR BENEFITS.] Subdivision 1. Effective for any disability benefit or retirement annuity commencing after June 30, 1977 1978 from a fund enumerated in subdivision 2, which benefit or annuity is based on a final average salary, no year of salary used in determining the final average salary as defined by the laws governing the fund shall exceed the salary paid in the previous year by more than 15 percent.

Sec. 50. Minnesota Statutes 1976, Section 422A.02, is amended to read:

422A.02 [RETIREMENT BOARD; MEMBERS.] A retirement board of five seven members is hereby constituted which shall consist of the following:

- (1) Mayor;
- (2) The city comptroller or corresponding official;
- (3) The chairman of the ways and means committee of the city council or corresponding member of the chief governing body of the city One member of the city council selected by the council; and
- (4) Two Four legally qualified voters of the city, residents thereof for the preceding five years, to be chosen by the employees as defined in sections 422A.01 to 422A.25 who are contributors to the retirement fund created by section 422A.01 to 422A.25. The employees may form an association for that purpose and the employing authorities are authorized to make payroll

deductions for the payment of dues to said association. The persons selected shall serve for staggered terms of two years from the first of the next succeeding January after their election, and until their successors are duly elected. Such selection shall be made by the employees during the first week of December of each year. Vacancies occurring by death, resignation, or removal of such representatives shall be filled by representatives chosen by the employees.

Sec. 51. *The two additional members authorized by section 50, clause (4) shall be chosen on the effective date of section 50 in the manner prescribed for the filling of vacancies on the board, with one designated to serve until January 1, 1978 and one until January 1, 1979. Thereafter the additional members shall be selected for regular two year terms in the manner provided in section 50.*

Sec. 52. Minnesota Statutes 1976, Section 422A.03, Subdivision 1, is amended to read:

422A.03 [MEETINGS; EMPLOYEES; RULES AND REGULATIONS.] Subdivision 1. The retirement board shall meet on the second ~~third~~ Tuesday of each calendar month of each year and may adjourn from time to time. Special meetings may be held upon the call of the president. The board shall, by a four-fifths vote of all members of the board, appoint an executive secretary, who shall have charge of the performance of the duties required by the provisions of sections 422A.01 to 422A.25, and shall appoint other necessary clerical help. If at the time of his appointment as executive secretary the appointee holds a position subject to the civil service rules and regulations of the city he shall be deemed to be on leave of absence from such civil service position during his tenure as executive secretary, and upon termination of such service shall be returned to his permanent civil service classification. If no vacancy is available in his permanent civil service classified position, seniority shall prevail, and the person most recently certified to such position shall be returned to the permanent civil service classification held by him prior to such certification.

Sec. 53. Laws 1975, Chapter 388, Section 1, is amended to read:

Section 1. [RETIREMENT; LEGISLATIVE EMPLOYEES; RETIREMENT AND PENSIONS; APPROPRIATION.] *Subdivision 1.* A permanent employee of the legislature who prior to attaining such status was employed by the legislature, or either body thereof on an intermittent basis may obtain allowable service credit for such service by paying to the Minnesota state retirement system an amount equal to four percent of his or her current salary rate multiplied by the days and months of such legislative service for which he or she desires to obtain allowable service credit. If the employee at the time of payment is a participant in the unclassified program the payment by the employee and employer shall be used to purchase credits in the Minnesota supplemental fund. Proof of legislative service and the duration thereof shall be established by a house employee by the certification of the committee on rules and legislative administration and by a senate

employee by the certification of the committee on rules and administration. Certification to the director of the Minnesota state retirement system shall include the exact periods of time for which the employee is eligible to obtain credit for service and credit therefor shall be computed and granted on the basis of full employment.

Subd. 2. A permanent employee of the legislature who prior to attaining such status provided professional services for the legislature prior to July 1, 1977 as an employee of a foundation or a non-profit corporation pursuant to a contract with the legislative coordinating commission may obtain allowable service credit for the period of the professional services by paying to the Minnesota state retirement system an amount equal to four percent of his or her current salary rate multiplied by the periods of service for which he or she desires to obtain allowable service credit. Proof of the professional services and the duration thereof shall be established by the certification of the legislative coordinating commission.

Subd. 3. The payments shall be made either in a lump sum or payroll deductions made or arranged for on or before July 1, 1976 1978. The payments permitted herein, by a person who is a senate employee on the date of payment shall be matched by the senate employer, and for a house employee by the house employer and such sums as are necessary therefor are hereby appropriated from the respective legislative expense funds and transferred to the Minnesota state retirement system. If the employee at the time of payment is a participant in the unclassified program, the payment by the employee and employer shall be used to purchase shares in the Minnesota supplemental fund.

Sec. 54. Laws 1976, Chapter 238, Section 12, is amended to read:

Sec. 12. [MINNEAPOLIS TEACHERS RETIREMENT FUND ASSOCIATION; COORDINATED PROGRAM.] Subdivision 1. There shall be established effective July 1, 1977 1978, 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 auto-

matic 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 1978 . The adoption of such amendments is hereby approved in accordance with Minnesota Statutes, 1975 Supplement, Section 354A.12.

Sec. 55. Laws 1977, Chapter 35, Section 18, is amended to read:

Sec. 18. [TEMPORARY PROVISION.] Notwithstanding any other provision of this act Laws 1977, Chapter 35 to the contrary, an increase in compensation provided a district or supreme court judge herein in Laws 1977, Chapter 35 shall not take effect until every as to any judge of the district court and or any justice of the supreme court who served in the district or supreme court prior to July 1, 1967, until he submits an executed agreement to the executive director of the Minnesota state retirement system in accord with section 490.106.

Sec. 56. *An employee of the Hennepin county district court who has attained the age of 65 years or older and who has not less than seven years of allowable service as a member of the public employees retirement association following part-time service on an intermittent basis with the court, shall be entitled to a proportionate retirement annuity pursuant to Minnesota Statutes, Section 356.32, notwithstanding the fact that the employee was not required to terminate service at age 65 or earlier. Payment of an annuity pursuant to this section shall be made retroactive to August 1, 1976 or the employee's date of termination, whichever is later.*

Sec. 57. [RAMSEY COUNTY; PUBLIC EMPLOYEES' RETIREMENT BENEFITS FOR SHERIFF'S PERSONNEL.] (a) *An employee of the Ramsey county sheriff's department, who is a member of the public employees police and fire fund and who was employed by the department before January 1, 1970 in a position that becomes covered by the police and fire fund membership after December 31, 1969 may receive allowable service credit in the police and fire fund for prior service by paying into the fund before December 31, 1977, the difference between the employee, employer and employer additional contributions actually paid, and the employee, employer and employer additional contributions that would have been paid under applicable law if the employee had been in the police and fire fund before January 1, 1970, together with six percent compound interest from the time the deductions would have been made to time of payment.*

(b) *If an employee makes payment in accord with this subdivision, allowable service credit in the general fund with respect to this prior service is eliminated and the executive director shall transfer the employee's account with respect to this service from the general to the police and fire fund.*

(c) Ramsey county may assume the obligation for additional payments, with interest, with respect to each employee who elects to pay the employee contributions and interest authorized by this section.

Sec. 58. Any person who, prior to May 1, 1975, had

(a) begun to receive a retirement annuity from the state employees' retirement fund established pursuant to Minnesota Statutes, Chapter 352;

(b) completed at least four years but fewer than eight years of service as a constitutional officer or commissioner and made employee contributions for that entire period of service to the elective state officers' retirement plan established pursuant to Minnesota Statutes, Chapter 352C;

(c) taken a refund of the employee contributions from the elective state officers' retirement plan upon termination of service as a constitutional officer or commissioner; and

(d) attained the age of 65 years or older; may elect to repay the refund to the elective state officers' retirement plan plus interest at six percent per annum compounded annually. Upon repayment the former constitutional officer or commissioner shall be entitled to receive a retirement allowance from the elective state officers' retirement plan. The amount of the retirement allowance shall be prorated, based on the relationship between the number of years of service for which the former constitutional officer or commissioner made contributions to the plan and eight years; provided, that payments from the elective state officers' retirement plan shall not be reduced by the amount of annuity or benefit payments from the state employees' retirement fund. In all other respects the laws in effect as of the date of termination of service shall govern.

Sec. 59. [MINNEAPOLIS TEACHERS RETIREMENT FUND ASSOCIATION.] Subdivision 1. The following amendment to the articles of incorporation of the Minneapolis teachers retirement fund association is hereby approved in accordance with Minnesota Statutes, Section 354A.12.

Subd. 2. [EARLY RETIREMENT.] Subsection (11) of Article IX shall be amended prior to July 1, 1977 to provide that all teachers who become members of the association after July 1, 1977, who have 30 years of service to their credit upon retirement, but who have not attained the age of 60 years upon the effective date of an application for a retirement annuity pursuant to that subsection, shall be entitled to a retirement annuity in an amount equal to the normal retirement annuity provided pursuant to that subsection reduced by one-quarter of one percent for each month that the member is under age 60 at the time of retirement.

Sec. 60. [ST. PAUL TEACHERS RETIREMENT FUND ASSOCIATION; COORDINATED PROGRAM.] Subdivision 1. There shall be established effective July 1, 1978, a coordinated

retirement program within the St. Paul 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 and the bylaws of the St. Paul teachers retirement fund association pertaining to 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 and the bylaws of the St. Paul teachers retirement fund association shall be amended as necessary to effect the changes described in subdivision 1, effective July 1, 1978. The adoption of such amendments is hereby approved in accordance with Minnesota Statutes 1976, Section 354A.12.

Sec. 61. Notwithstanding anything to the contrary in Article IV, Section 3, Paragraph 3, of the bylaws of the St. Paul teachers retirement fund association, the annual amount of the pension payable to a member who retires on or after July 1, 1977 upon or after attaining the age of 60 years shall equal the product obtained by multiplying an amount equal to two percent of his average salary as defined in Article IX, Section 1, Paragraph 2 of the bylaws, by the number of years of his accredited service, subject to a maximum of 40 years. A pension payable prior to the member attaining the age of 60 years shall be reduced in accordance with the provisions of Article IV, Section 3, Paragraph 3 of the bylaws.

Sec. 62. [WINONA POLICE CHIEF; PENSION COVER-AGE.] Subdivision 1. Notwithstanding Minnesota Statutes, Section 353.64, Subdivision 1 or any other law to the contrary, the person employed by the city of Winona on the effective date of this section as chief of police shall be a member of the public employees police and fire fund established by sections 353.63 to 353.68 and not of the local policemen's relief association established pursuant to sections 423.801 to 423.815. An amount equal to the employer and employee contributions which would have been required pursuant to section 353.65, had the person been a member of the public employees police and fire fund from the commencement of his employment with the police department of the city of Winona, plus interest at the rate of six percent per

annum compounded annually from the year the payment would otherwise have been made to the year the payment is made, shall be paid to the public employees police and fire fund, which shall credit the chief of police with service as a member for this period upon the receipt of the payments required under this section. An amount equal to the employer contributions plus interest as herein specified shall be transferred from the Winona policemen's relief association to the public employees police and fire fund. An amount equal to the employee contributions plus interest as herein specified shall be paid by the chief of police to the public employees police and fire fund. The chief of police shall be entitled to receive, upon making written application, a refund of his accumulated contributions to the Winona policemen's relief association plus interest at the rate actually received by the relief association as determined by the board of trustees of the relief association.

Subd. 2. This section is effective upon approval by the Winona city council and upon compliance with Minnesota Statutes, Section 645.021.

Sec. 63. In the next or earliest practicable edition of Minnesota Statutes, the revisor of statutes shall change the terms "fireman" and "firemen" to "firefighter" and "firefighters" respectively, wherever the terms appear in respect to those persons engaged in fighting fires as distinguished from maintaining fires in boilers, or other machines or devices.

Sec. 64. Sections 4, 5, 6, 7, 8, and 9 shall be effective for the certification of police officers by municipalities and counties as of December 31, 1976 and for the apportionment and distribution of police state aid made subsequent to January 1, 1977.

Sec. 65. [REPEALER.] Minnesota Statutes 1976, Sections 353.016; 353.018; 353.019; 353.03, Subdivision 2a; 353.31, Subdivision 11; 353.36, Subdivision 2d; 353.46, Subdivision 3; and 353.64, Subdivision 5, are repealed.

Sec. 66. [EFFECTIVE DATE.] Sections 1, 2, 3, 13, 14, 15, 16, 20, 27, 32, 33, 37, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, and 59 are effective the day following final enactment. Sections 10, 11, 12, 17, 18, 19, 21, 22, 23, 24, 25, 26, 28, 29, 30, 31, 34, 35, 36, 38, 39, 40, 41, 42, 43, 44, 45, 46, 60, 61, 63, and 65 shall be effective July 1, 1977."

Further, amend the title by deleting it in its entirety and inserting:

"A bill for an act relating to retirement; increasing the size of the boards of trustees of the public employees retirement association, Minnesota state retirement system, teachers retirement association and Minneapolis municipal employees retirement board; providing for election processes; survivor benefits for deceased legislators; making miscellaneous changes in the public employees retirement association provisions; various technical amendments to the police state aid program; pension coverage for employees of state employee labor organizations; inclusions in the unclassified employees retirement plan; employment of certain substitute

teachers beyond the mandatory retirement age; establishment of a coordinated program and providing for an increased retirement formula for the St. Paul teachers retirement fund association; delaying the establishment of a coordinated program for the Minneapolis teachers retirement fund association; delaying implementation of a limitation on the average salary for retirement benefits; purchase of prior service for certain legislative employees; modifying waiver requirement for certain district court judges and supreme court judges; proportionate annuity for certain Hennepin county district court employees; purchase of prior service for certain Ramsey county sheriff's department employees; repayment of refund for certain former members of the elective state officers plan; pension coverage for the Winona police chief; amending Minnesota Statutes 1976, Sections 3A.04, Subdivisions 1 and 2, and by adding a subdivision; 69.011, Subdivisions 1 and 2; 69.021, Subdivisions 5, 6 and 7; 69.031, Subdivision 5; 352.03, Subdivisions 1, 2, and by adding a subdivision; 352B.01, Subdivision 3; 352B.08, Subdivision 2; 352B.10; 352D.02, Subdivision 1; 353.01, Subdivisions 2a, 2b, 6, and 15; 353.03, Subdivision 1; 353.27, Subdivision 4; 353.29, Subdivisions 4 and 8; 353.31, Subdivision 8; 353.32, Subdivision 7; 353.33, Subdivisions 1 and 9; 353.36, Subdivision 2; 353.37; 353.46, by adding a subdivision; 353.651, Subdivision 3; 354.05, by adding a subdivision; 354.06, Subdivision 1; 354.44, Subdivision 1a, as amended; 355.281; 355.286; 356.34, Subdivision 1; 422A.02; 422A.03, Subdivision 1; Chapters 352, by adding a section; 353, by adding a section; and 355, by adding sections; Laws 1975, Chapter 388, Section 1; Laws 1976, Chapter 238, Section 12; and Laws 1977, Chapter 35, Section 18; repealing Minnesota Statutes 1976, Sections 353.016; 353.018; 353.019; 353.03, Subdivision 2a; 353.31, Subdivision 11; 353.36, Subdivision 2d; 353.46, Subdivision 3; and 353.64, Subdivision 5."

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

Senate Conferees: (Signed) Eugene Stokowski, Harmon Ogdahl, Roger Strand

House Conferees: (Signed) Al Patton, Leo Reding, John Biersdorf

Pursuant to Rule 21, Mr. Tennesen moved that the following members be excused for a Conference Committee on H. F. No. 415:

Messrs. Tennesen; Keefe, J.; Davies; Nelson and Merriam. The motion prevailed.

Pursuant to Rule 21, Mr. McCutcheon moved that the following members be excused for a Conference Committee on H. F. No. 1475:

Messrs. McCutcheon, Johnson, Peterson, Hanson and Stokowski. The motion prevailed.

Pursuant to Rule 21, Mr. Anderson moved that the following members be excused for a Conference Committee on H. F. No. 1300 at 11:00 a.m.

Messrs. Kirchner, Willet and Anderson. The motion prevailed.

Mr. Stokowski moved that the foregoing recommendations and Conference Committee Report on S. F. No. 181 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. 181: A bill for an act relating to retirement; increasing the size of the boards of trustees of the public employees retirement association, Minnesota state retirement system, teachers retirement system and Minneapolis municipal employees retirement board; providing for election processes; survivor benefits for deceased legislators; making miscellaneous changes in the public employees retirement association provisions; amending Minnesota Statutes 1976, Sections 3A.04, Subdivision 1, and by adding a subdivision; 352.03, Subdivisions 1, 2, and by adding a subdivision; 353.01, Subdivisions 2a, 2b, 6, 15, and 20; 353.03, Subdivision 1; 353.27, Subdivision 4; 353.29, Subdivisions 4 and 8; 353.31, Subdivision 8; 353.32, Subdivision 7; 353.33, Subdivisions 1, 9 and 11; 353.36, Subdivision 2; 353.37; 353.46, by adding a subdivision; and 353.651, Subdivision 3; 354.05, by adding a subdivision; 354.06, Subdivision 1; 422A.02; and 422A.03, Subdivision 1; repealing Minnesota Statutes 1976, Sections 353.016; 353.018; 353.019; 353.03, Subdivision 2a; 353.31, Subdivision 11; 353.36, Subdivision 2d; 353.46, Subdivision 3; and 353.64, Subdivision 5.

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

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

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Perpich	Spear
Bang	Gunderson	Lewis	Peterson	Staples
Benedict	Hanson	Luther	Pillsbury	Stokowski
Bernhagen	Hughes	Milton	Purfeerst	Strand
Brataas	Jensen	Moe	Renneke	Stumpf
Chmielewski	Johnson	Nelson	Schaaf	Tennessee
Coleman	Keefe, S.	Nichols	Schmitz	Ueland, A.
Davies	Kleinbaum	Ogdahl	Setzenfandt	Ulland, J.
Dieterich	Knoll	Olhoff	Sieloff	Vega
Engler	Knutson	Olson	Sikorski	Wegener
Frederick	Laufenburger	Penny	Sillers	

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

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 109 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. 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 be appointed by and shall serve at the pleasure of the appointing authority; providing for the succession of commissioners; limiting the ability of former commissioners and former deputy commissioners to appear before their former agencies; defining position and duties of deputy department heads; standardizing the format and procedures relating to executive orders and reorganization orders; prescribing uses for executive orders; limiting the scope of reorganization orders; abolishing the board of health and transferring its powers to the commissioner of health; creating a health advisory council; eliminating obsolete language; amending Minnesota Statutes 1976, Sections 15.051, Subdivisions 1 and 3; 15.06; 16.01; 16.125; 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, Subdivision 1; 129A.02, Subdivision 2; 174.02, Subdivision 1; 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; 362.09, Subdivision 1; 363.04, Subdivision 1; 462A.04, Subdivision 8; and Chapter 144, by adding a section; repealing Minnesota Statutes 1976, Sections 16.13; 121.07; 121.08; 121.10; 121.16, Subdivision 2; 144.01; 144.02; 144.03; 144.04; 175.001, Subdivision 4; and 216A.06, Subdivision 2.

May 17, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 109, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and S. F. No. 109 be amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1976, 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, agriculture, corrections, economic development, education, employment services, finance, health, human rights, labor and industry, natural resources, personnel, public safety, public welfare, revenue, transportation, veterans affairs and vocational rehabilitation; 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 commissioner of iron range resources and rehabilitation; the bureau of mediation services; and their successor departments and agencies. The heads of the foregoing departments or agencies are referred to in this section as "commissioners".

Subd. 2. [TERM OF OFFICE; SUCCESSOR.] The term of a commissioner shall end with the term of the office of governor. If the appointing authority is the governor, the term shall end on the date the governor who appointed the commissioner vacates his office. The appointing authority shall submit to the president of the senate the name of an appointee as permanent commissioner within 45 legislative days after the end of the term of a commissioner and within 45 legislative days after the occurrence of a vacancy. The appointee shall take office as permanent commissioner when the senate notifies the appointing authority that it has consented to the appointment. A commissioner shall serve at the pleasure of the appointing authority. Effective on and after July 1, 1987, a commissioner may only be removed for cause after notice and hearing.

Subd. 3. [VACANCY; TEMPORARY COMMISSIONER.] The purpose of this subdivision is to provide a procedure to insure the immediate accession to office of a temporary commissioner in the event of a vacancy in the office of commissioner. If at the end of a term of a commissioner the incumbent commissioner is not designated as acting commissioner pursuant to subdivision 4, or if a vacancy occurs in the office of a commissioner, the deputy commissioner as defined in subdivision 7 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 a temporary commissioner.

Subd. 4. [END OF TERM; VACANCY; ACTING COMMISSIONER.] The purpose of this subdivision is to provide alternative means whereby an appointing authority may designate a person other than a temporary commissioner to serve as acting commissioner until advice and consent of the senate is received in respect to a permanent appointee. These alternative means include the following:

(1) 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.

(2) An appointing authority may appoint a person other than a deputy to serve as acting commissioner and to replace any other acting or temporary commissioner designated pursuant to subdivisions 3 or 4.

(3) Prior to the advice and consent of the senate, the appoint-

ing authority may designate the permanent appointee as commissioner.

Subd. 5. [EFFECT OF DESIGNATION OF ACTING OR TEMPORARY COMMISSIONER.] *A person who is designated commissioner, acting commissioner or temporary commissioner pursuant to subdivisions 3 or 4 shall immediately have all the powers and emoluments and perform all the duties of the office. Upon the appointment of a commissioner or acting commissioner to succeed any other acting or temporary commissioner, the subsequent appointee shall immediately take the place of any other acting or temporary commissioner. No person shall serve as commissioner or acting commissioner after the senate has voted to refuse to consent to his appointment as permanent commissioner. Notice of the designation of a commissioner or acting commissioner, or the assumption of office by a temporary commissioner, shall be filed with the president of the senate and the speaker of the house with a copy delivered to the secretary of state and published in the next available edition of the state register.*

Subd. 6. [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;*

(2) (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*

(4) (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. 7. [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. 8. [NUMBER OF DEPUTY COMMISSIONERS.] Unless specifically authorized by statute, other than section 43.09, subdivision 2a, 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.

Subd. 9. [PRIVATE EMPLOYMENT.] No former commissioner or deputy commissioner may, within one year after leaving the position of commissioner or deputy commissioner in a department or agency, appear or participate in proceedings of that department or agency representing the interests of private persons.

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 upon 15 days after its publication in the state register and filing with the secretary of state. 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 90 days after the date that the governor who issued the order vacates his office.

Sec. 3. Minnesota Statutes 1976, 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 1976, 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 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.

Sec. 6. Minnesota Statutes 1976, 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. 7. Minnesota Statutes 1976, Section 16.028, Subdivision 1, is amended to read:

16.028 [ADDITIONAL POWERS.] Subdivision 1. In addition to the other powers, duties and responsibilities of the commissioner of administration, he may appoint two one deputy commissioners commissioner, and a confidential secretary, each of whom shall serve at the pleasure of the commissioner in the unclassified service.

Sec. 8. Minnesota Statutes 1976, 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. 9. Minnesota Statutes 1976, Section 16A.01, Subdivision 3, is amended to read:

Subd. 3. The commissioner may appoint two deputy commissioners one deputy commissioner, 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. 10. Minnesota Statutes 1976, 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 16.125, 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 with the approval of the governor or agency 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. The commissioner of administration shall no later than January 15 of each year submit to the legislature a bill making all statutory changes required by reorganization orders issued by the commissioner during the preceding calendar year.*

Subd. 2. [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. A reorganization order which transfers all or substantially all of the powers or duties or personnel of a department, the energy agency, the housing finance agency or the pollution control agency shall not be effective until ratified by concurrent resolution or enacted into law.

Subd. 3. 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 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 or agency.

Sec. 11. Minnesota Statutes 1976, Section 16A.16, is amended to read:

16A.16 [DEPARTMENT HEAD EXPENSES.] Heads of departments in the executive branch who receive a fixed salary of, or whose range midpoint is, \$23,000 \$36,000 annually or more, and constitutional officers, are authorized to expend annually a sum not to exceed \$2,000; and the heads of all other state departments are authorized to expend a sum not to exceed \$1,000 annually from their supply and expense funds for expenses necessary for the normal performance of their duties for which no other reimbursement is provided. The expenditures are subject to the statutes

and rules and regulations of the state governing budgeting, allotment and encumbrance, preaudit, and post audit.

The commissioner of finance may promulgate rules and regulations as necessary to assure the proper expenditure of these funds, and to provide for reimbursement.

Sec. 12. Minnesota Statutes 1976, 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 this chapter 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, 1977, 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. 13. Minnesota Statutes 1976, 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. 14. Minnesota Statutes 1976, Section 43.001, Subdivision 3, is amended to read:

Subd. 3. The commissioner may appoint two deputy commissioners one deputy commissioner 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. 15. Minnesota Statutes 1976, 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. 16. Minnesota Statutes 1976, 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. 17. Minnesota Statutes 1976, Section 60A.03, Subdivision 1, is amended to read:

60A.03 [INSURANCE COMMISSIONER.] Subdivision 1. [COMMISSIONER; APPOINTMENT; TERM; VACANCY; BOND.] The commissioner of insurance shall be appointed by the governor, by and with the advice and consent of the senate, for the term of six years, who shall hold office until his duly appointed successor shall have qualified. In case of a vacancy, it shall be filled for the unexpired portion of the term. Before entering upon the discharge of his duties, he shall take, subscribe, and file with the secretary of state the oath of office prescribed by the constitution, and give bond to the state, with sureties to be approved by the state treasurer, in the amount of \$25,000, con-

ditioned 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; under the provisions of section 1 and shall devote his entire time to the duties of his office.

Sec. 18. Minnesota Statutes 1976, 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.

Sec. 19. Minnesota Statutes 1976, 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 116.08. 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.

(c) (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. 20. Minnesota Statutes 1976, 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. 21. Minnesota Statutes 1976, 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 director and a personal secretary to 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 and his personal secretary shall serve in the unclassified service and shall be members of the Minnesota state retirement system.

Sec. 22. Minnesota Statutes 1976, Section 129A.02, Subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER.] 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 for cause after notice and hearing. 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 and serve under the provisions of section 1 . The commissioner shall be a person

having substantial experience in the administration and financing of vocational rehabilitation programs.

Sec. 23. Minnesota Statutes 1976, Section 174.02, Subdivision 1, is amended to read:

174.02 [COMMISSIONER; 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. The governor may remove the commissioner at any time for cause after notice and hearing unless otherwise provided for in chapter 16 and serve under the provisions of section 1.

Sec. 24. Minnesota Statutes 1976, 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. There shall be one deputy commissioner in the department.

Sec. 25. Minnesota Statutes 1976, 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. 26. Minnesota Statutes 1976, 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. 27. Minnesota Statutes 1976, 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 under the provisions of section 1.

Sec. 28. Minnesota Statutes 1976, 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. 29. Minnesota Statutes 1976, 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. 30. Minnesota Statutes 1976, 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 appointment 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. 31. Minnesota Statutes 1976, 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 1969, 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, 1963, 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. 32. Minnesota Statutes 1976, Section 270.02, Subdivision 2, is amended to read:

Subd. 2. [TERMS.] 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. 33. Minnesota Statutes 1976, Section 270.02, Subdivision 3, is amended to read:

Subd. 3. [POWERS, ORGANIZATION, ASSISTANTS.] Subject to the provisions of this chapter and other applicable laws the commissioner shall have power to organize the department with such divisions and other agencies as he deems necessary and to appoint ~~two~~ *one* deputy ~~commissioners~~ *commissioner*, a department secretary, directors of divisions, and such other officers, employees, and agents as he may deem necessary to discharge the functions of the department, define the duties of such officers, employees, and agents, and 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 power shall be by written order filed with the secretary of state.

Sec. 34. Minnesota Statutes 1976, 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. 35. Minnesota Statutes 1976, 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 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.

Sec. 36. Minnesota Statutes 1976, 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. 37. Minnesota Statutes 1976, Section 362.09, Subdivision 1, is amended to read:

362.09 [COMMISSIONER; ADVISORY COMMITTEE.] 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. 38. Minnesota Statutes 1976, 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 cost of government an executive 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. 39. Minnesota Statutes 1976, Chapter 144, is amended by adding a section to read:

[144.011] [DEPARTMENT OF HEALTH.] Subdivision 1. [COMMISSIONER.] The department of health shall be under the control and supervision of the commissioner of health who

shall be appointed by the governor under the provisions of section 1. The state board of health is abolished and all powers and duties of the board are transferred to the commissioner of health. The commissioner shall be selected without regard to political affiliation but with regard to ability and experience in matters of public health.

Subd. 2. [STATE HEALTH ADVISORY COUNCIL.] The state health advisory council is hereby created to consist of 15 members appointed by the governor. Nine members of the council shall be broadly representative of the licensed health professions and six members shall be public members as defined by section 214.02. The council and its members shall be governed by the provisions of section 15.059. The governor shall designate a chairman of the council and such other officers as he deems necessary. The council shall advise the commissioner of health on any matter relating to the functions of the department.

Sec. 40. Minnesota Statutes 1976, 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 university of Minnesota and to the state universities and community colleges.

Sec. 41. Minnesota Statutes 1976, Section 121.16, Subdivision 1, 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 state board with the approval of the governor under the provisions of section 1. For purposes of section 1, the board 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. 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 .

Sec. 42. Minnesota Statutes 1976, 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 , deputy director , and five additional positions reporting directly to the director are in the classified civil service of the state . The five additional unclassified positions permitted by this subdivision shall only be filled in the manner and pursuant to the procedures and conditions specified in section 43.09, subdivision 2a; provided, that no additional deputy commissioner positions may be created .

Sec. 43. Minnesota Statutes 1976, Section 473.141, Subdivision 7, as amended by Laws 1977, Chapter 35, Section 7, is amended to read:

Subd. 7. [COMPENSATION.] Each commission member shall be paid a per diem compensation of \$50 for each meeting and for such other services as authorized by the commission, and shall be reimbursed for all actual and necessary expenses incurred in the performance of his duties in the same manner and amount as state employees. The chairman shall receive a salary in an amount fixed by the members of the commission section 15A.081 and shall be reimbursed for reasonable expenses to the same extent as a member ; provided that the chairman of the metropolitan sports facilities commission shall receive, unless otherwise provided by other law, a salary in an amount fixed by the members of the commission and shall be reimbursed for reasonable expenses to the same extent as a member .

Sec. 44. [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 7, or any other provision of this act, the commissioner of personnel shall assign a new title. If the position is currently in the unclassified civil service, it shall remain in the unclassified civil service, and a person who loses the title of deputy commissioner shall receive, beginning with the first day of the first payroll period after July 1, 1977, the salary he would be entitled to on that date, if his title were to remain deputy commissioner. 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. Persons who are deputy commissioners and are in the classified service in departments or agencies affected by this act shall be entitled to the benefits and protections available to persons whose positions are declassified pursuant to section 43.09, subdivision 2a.

Sec. 45. [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.*

The revisor shall eliminate from the statutes any reference to "board of health" and shall insert in lieu thereof as appropriate "commissioner of health" or "commissioner".

The revisor shall eliminate from the statutes, except as may be provided in this act, any reference to "deputy commissioner" in the department of labor and industry and shall insert in lieu thereof as appropriate "commissioner of labor and industry" or "commissioner".

Sec. 46. [REPEALER.] *Minnesota Statutes 1976, Sections 16.13; 121.07; 121.08; 121.10; 121.16, Subdivision 2; 144.01; 144.02; 144.03; 144.04; 175.001, Subdivision 4; and 216A.06, Subdivision 2, are repealed.*

Sec. 47. [EFFECTIVE DATE.] *This act shall be effective the day following its final enactment."*

Amend the title as follows:

Page 1, line 18, after the first semicolon, insert "adjusting expense reimbursement for department heads;"

Page 1, line 20, after "16.01;" insert "16.028, Subdivision 1;"

Page 1, line 21, after "3;" insert "16A.16;"

Page 1, line 22, after "45.15;" insert "60A.03, Subdivision 1;"

Page 1, line 29, delete "Subdivision 2" and insert "Subdivisions 2 and 3"

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

Senate Conferees: (Signed) David Schaaf, Winston Borden and Gene Merriam.

House Conferees: (Signed) Pete Petrafeso, Carl Johnson and Harry Sieben

Mr. Schaaf moved that the foregoing recommendations and Conference Committee Report on S. F. No. 109 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. 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 be appointed by and shall serve at the pleasure of the appointing authority; providing for the succession of commissioners; limiting the ability of former commissioners and former deputy commissioners to appear before their former agencies; defining position and duties of deputy department heads; standardizing the format and procedures relating to executive orders and reorganization orders; prescribing uses for executive orders; limiting the scope of reorganization orders; abolishing the board of health and transferring its powers to the commissioner of health; creating a health advisory council; eliminating obsolete language; amending Minnesota Statutes 1976, Sections 15.051, Subdivisions 1 and 3; 15.06; 16.01; 16.125; 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, Subdivision 1; 129A.02, Subdivision 2; 174.02, Subdivision 1; 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; 362.09, Subdivision 1; 363.04, Subdivision 1; 462A.04, Subdivision 8; and Chapter 144, by adding a section; repealing Minnesota Statutes 1976, Sections 16.13; 121.07; 121.08; 121.10; 121.16, Subdivision 2; 144.01; 144.02; 144.03; 144.04; 175.001, Subdivision 4; and 216A.06, Subdivision 2.

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

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

The roll was called, and there were yeas 35 and nays 14, as follows:

Those who voted in the affirmative were:

Benedict	Keefe, S.	Menning	Penny	Sikorski
Chmielewski	Kleinbaum	Milton	Perpich	Spear
Coleman	Knoll	Moe	Purfeerst	Staples
Dieterich	Laufenburger	Nichols	Schaaf	Strand
Gearty	Lessard	Ogdahl	Schmitz	Stumpf
Gunderson	Lewis	Olhoff	Schrom	Vega
Hughes	Luther	Olson	Setzepfandt	Wegener

Those who voted in the negative were:

Ashbach	Brataas	Jensen	Renneke	Ueland, A.
Bang	Engler	Knutson	Sieloff	Ulland, J.
Bernhagen	Frederick	Pillsbury	Sillers	

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

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 274 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 274

A bill for an act relating to natural resources; authorizing additions to and deletions from certain state parks; authorizing land acquisition in relation thereto; amending Laws 1945, Chapter 484, Section 1, as amended.

May 18, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 274, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate concur in the House committee amendment adopted May 6, 1977, and the first Wieser amendment adopted May 12, 1977 and the House recede from the other amendments it adopted May 12, 1977, and that S. F. No. 274 be further amended as follows:

Page 6, after line 14, of the House unofficial engrossment and before the first Wieser amendment insert

"Subd. 7. [BIG STONE STATE PARK; DELETION.] The following area is deleted from Big Stone State Park: The Northeast Quarter of the Northwest Quarter of Section 20 in Township 123 North, Range 48 West and that part of Government Lot Two (2), Section Ten (10), Township One Hundred Twenty-Two (122), Range Forty-seven (47) lying south of Highway No. 7 and west of the following described line: Commencing at a point on the Westerly boundary line of Government Lot Two (2), Section Ten (10), Township One Hundred Twenty-two (122), Range Forty-seven (47) which is 189.75 feet due South of the intersection of the Westerly boundary line of said Government Lot 2 and the Southerly right of way line of Trunk Highway No. 7; thence due East 853.3 feet to an iron stake; thence deflect to the left at a delta angle of 71 degrees 41 minutes 371.9 feet to the intersection of said line with the Southerly right of way line of said Trunk Highway No. 7 which is the starting point of said line above referred to; thence in a Southwesterly direction back along said line just described for a distance of 1081.4 feet to the shores of Big Stone Lake."

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

Senate Conferees: (Signed) George F. Perpich, Tom A. Nelson, Gerald L. Willet

House Conferees: (Signed) John T. Clawson, Richard R. Lemke, Glen H. Anderson

Mr. Perpich moved that S. F. No. 274 and the Conference Committee report thereon be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 742 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 742

A bill for an act relating to waters; allowing counties to exercise certain functions; increasing membership on the governing body of the White Bear Lake conservation district; providing for selection of board officers; amending Minnesota Statutes 1976, Section 378.32, Subdivision 1; Laws 1971, Chapter 355, Sections 2, Subdivision 2; and 8, Subdivision 1.

May 19, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 742 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate accede to the House amendment, and that S. F. No. 742 be further amended as follows:

Page 3, line 13 of the unofficial engrossment, following "Sec. 4." insert "*Section 1 of this act shall be effective the day following final enactment.*"

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

Senate Conferees: (Signed) John Milton, George S. Pillsbury

House Conferees: (Signed) Maurice D. McCollar, Tad Jude, Robert L. Searles

Mr. Milton moved that the foregoing recommendations and Conference Committee Report on S. F. No. 742 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. 742: A bill for an act relating to waters; allowing counties to exercise certain functions; increasing membership on the governing body of the White Bear Lake conservation district; providing for selection of board officers; amending Minnesota

Statutes 1976, Section 378.32, Subdivision 1; Laws 1971, Chapter 355, Sections 2, Subdivision 2; and 8, Subdivision 1.

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

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

The roll was called, and there were yeas 41 and nays 3, as follows:

Those who voted in the affirmative were:

Ashbach	Jensen	Menning	Purfeerst	Strand
Bang	Keefe, S.	Milton	Renneke	Stumpf
Bernhagen	Kleinbaum	Moe	Schaaf	Ueland, A.
Brataas	Knoll	Nichols	Schmitz	Ulland, J.
Coleman	Knutson	Ogdahl	Setzepfandt	Vega
Dieterich	Laufenburger	Olhoft	Sieloff	
Engler	Lessard	Penny	Spear	
Frederick	Lewis	Perpich	Staples	
Gearty	Luther	Pillsbury	Stokowski	

Messrs. Chmielewski, Gunderson and Schrom voted in the negative.

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

Without objection, the Senate reverted to the Order of Business of Third Reading of House Bills.

THIRD READING OF HOUSE BILLS

H. F. No. 823: A bill for an act relating to public health; permitting plastic well casings; amending Minnesota Statutes 1976, Chapter 156A, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Perpich	Sillers
Bang	Gunderson	Lewis	Pillsbury	Spear
Benedict	Hughes	Luther	Purfeerst	Staples
Bernhagen	Jensen	Menning	Renneke	Stokowski
Brataas	Johnson	Milton	Schaaf	Strand
Chmielewski	Keefe, S.	Moe	Schmitz	Stumpf
Coleman	Kleinbaum	Nichols	Schrom	Ueland, A.
Dieterich	Knoll	Ogdahl	Setzepfandt	Ulland, J.
Engler	Knutson	Olhoft	Sieloff	Vega
Frederick	Laufenburger	Penny	Sikorski	Wegener

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated the following bills a Special Orders Calendar to be heard immediately:

H. F. Nos. 1252 and 1631.

SPECIAL ORDER

H. F. No. 1252: A bill for an act relating to the Minnesota state water pollution control fund; clarifying eligibility for 15 percent matching grants financed by the fund; eliminating certain matching grants; authorizing the issuance of Minnesota state water pollution control bonds; appropriating money; amending Minnesota Statutes 1976, Sections 116.16, Subdivision 6; and 116.18, Subdivisions 1 and 4.

Mr. Setzepfandt moved that the amendment made to H. F. No. 1252 by the Committee on Rules and Administration in the report adopted May 19, 1977, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 1252 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hughes	Luther	Peterson	Spear
Bang	Jensen	Menning	Pillsbury	Stokowski
Benedict	Johnson	Merriam	Purfeerst	Strand
Bernhagen	Keefe, S.	Milton	Renneke	Stumpf
Chmielewski	Kirchner	Moe	Schaaf	Ueland, A.
Coleman	Kleinbaum	Nichols	Schmitz	Ulland, J.
Dieterich	Knoll	Ogdahl	Schrom	Vega
Engler	Knutson	Olhoff	Setzepfandt	Wegener
Frederick	Laufenburger	Olson	Sieloff	
Gearty	Lessard	Penny	Sikorski	
Gunderson	Lewis	Perpich	Sillers	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H. F. No. 1631: A bill for an act relating to public improvements; providing for prison and education facilities; regulating the location of certain education facilities; barrier free buildings; authorizing state building bonds; appropriating money.

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. 1631 and that the rules of the Senate be so far suspended as to give H. F. No. 1631, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

Mr. Moe moved to amend H. F. No. 1631, as amended pursuant to Rule 49, adopted by the Senate May 20, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1530.)

Page 4, after line 26, insert:

“Sec. 12. The sum of \$407,000 is appropriated to the commis-

sioner of administration from the general fund for improvements to capitol area grounds, including landscaping, exterior signage, and modification of various parking areas. Of this appropriation, \$21,000 is available for exterior signage in the capitol area as described by section 15.50, subdivision 2. The remainder shall be used in the area bounded by University Avenue, Park Street, Fuller Avenue, and Rice Street; and in the area bounded by Como Avenue, Capitol Heights, Robert Street, University Avenue, and Cedar Street.

The commissioner of administration shall landscape these areas in accordance with plans approved by the capital area architectural and planning board.

This appropriation shall not cancel but shall remain available until the project is completed."

Renumber the sections in sequence

Amend the title as follows:

Line 5, after "buildings," insert "capitol area grounds improvements;"

The motion prevailed. So the amendment was adopted.

Mr. Perpich moved to amend H. F. No. 1631, as amended pursuant to Rule 49, adopted by the Senate May 20, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1530.)

Page 2, line 28, strike "\$500,000" and insert "\$2,000,000"

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

Mr. Milton moved to amend H. F. No. 1631, as amended pursuant to Rule 49, adopted by the Senate May 20, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1530.)

Page 2, after line 8 insert:

"Any increase in enrollment in the schools of pharmacy and nursing shall be consistent with projected needs for pharmacists and nurses as determined by the statewide health coordinating council established pursuant to P. L. 93-641."

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 6 and nays 37, as follows:

Those who voted in the affirmative were:

Coleman	Milton	Schmitz	Spear	Stumpf
Dieterich				

Those who voted in the negative were:

Ashbach	Frederick	Jensen	Knoll	Luther
Bang	Gearty	Johnson	Knutson	Menning
Chmielewski	Gunderson	Kirchner	Laufenburger	Moe
Engler	Hughes	Kleinbaum	Lessard	Nelson

Ogdahl	Peterson	Schrom	Strand	Wegener
Olhoff	Pillsbury	Setzepfandt	Ueland, A.	
Penny	Purfeerst	Sieloff	Ulland, J.	
Perpich	Renneke	Sillers	Vega	

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

Pursuant to Rule 21, Mr. Spear moved that the following members be excused for a Conference Committee on H. F. No. 6 at 1:00 p.m.:

Messrs. Spear; Keefe, J. and Laufenburger. The motion prevailed.

Mr. Knutson moved to amend H. F. No. 1631, as amended pursuant to Rule 49, adopted by the Senate May 20, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1530.)

Pages 1 and 2, strike section 1

Renumber the remaining sections in sequence

Amend the title as follows:

Page 1, line 3, strike "prison and"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 10 and nays 31, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Jensen	Pillsbury	Sikorski
Bang	Hughes	Knutson	Renneke	Ueland, A.

Those who voted in the negative were:

Benedict	Johnson	Menning	Peterson	Tennessee
Chmielewski	Keefe, S.	Milton	Setzepfandt	Ulland, J.
Coleman	Kirchner	Moe	Sieloff	Vega
Dieterich	Knoll	Nelson	Sillers	
Gearty	Lessard	Olson	Stokowski	
Gunderson	Lewis	Penny	Strand	
Hanson	Luther	Perpich	Stumpf	

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

H. F. No. 1631 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 44 and nays 4, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Hughes	Kleinbaum	Luther
Bang	Engler	Jensen	Knoll	Menning
Benedict	Gearty	Johnson	Knutson	Milton
Chmielewski	Gunderson	Keefe, S.	Lessard	Moe
Coleman	Hanson	Kirchner	Lewis	Nelson

Ogdahl	Peterson	Schmitz	Sillers	Ulland, J.
Olson	Pillsbury	Schrom	Stokowski	Vega
Penny	Purfeerst	Setzepfandt	Strand	Wegener
Perpich	Renneke	Sieloff	Ueland, A.	

Messrs. Davies, Sikorski, Stumpf and Tennesen 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 subject to the call of the President. The motion prevailed.

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

Pursuant to Rule 21, Mr. Anderson moved that the following members be excused for a Conference Committee on H. F. No. 522 at 12:00 noon:

Messrs. Anderson, Bernhagen and Mrs. Staples. The motion prevailed.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate for the balance of today's Session. The following Senators answered to their names:

Ashbach	Hanson	Knutson	Ogdahl	Sieloff
Bang	Hughes	Lessard	Olhoft	Sikorski
Chenoweth	Johnson	Luther	Penny	Solon
Coleman	Keefe, S.	Menning	Peterson	Stokowski
Davies	Kirchner	Milton	Purfeerst	Stumpf
Engler	Kleinbaum	Moe	Schaaf	Ulland, J.
Gearty	Knoll	Nelson	Schrom	Vega

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

Without objection, the Senate reverted to the Order of Business of Reports of Committees and Second Reading of House 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 referred

H. F. No. 1276 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1276	1199				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1276 be amended as follows:

Strike everything after the enacting clause and insert

“Section 1. [RE-APPROPRIATION.] Of the sum of \$400,000 appropriated from the general fund by Laws 1976, Chapter 305, Section 9, for pilot dental health programs, the unexpended balance is hereby reappropriated to the commissioner of public welfare for the biennium ending June 30, 1979, for continuation of the pilot dental health programs. \$60,000 of the \$400,000 appropriation may be used for administrative purposes by the commissioner of public welfare for the purposes of this act.

Sec. 2. [REPEALER.] Laws 1976, Chapter 305, Section 10, is repealed.”

Further, strike the title and insert

“A bill for an act relating to public welfare; providing for pilot dental health programs; providing money; repealing Laws 1976, Chapter 305, Section 10.”

And when so amended, H. F. No. 1276 will be identical to S. F. No. 1199 and further recommends that H. F. No. 1276 be given its second reading and substituted for S. F. No. 1199 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. No. 1276 was read the second time.

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 381 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 381

A bill for an act relating to game and fish; changing the commissioner's duties in the removal of beaver; authorizing seasons for taking bobcat, fisher, fox, and wild turkey; requiring the commissioner to issue sportsman's licenses; extending the season and eliminating the annual limit for taking beaver; changing the hours for taking trout; extending the surcharge on small game licenses; amending Minnesota Statutes 1976, Sections 97.56; 98.46, Subdivisions 2, 2a, and 14; 100.26, Subdivision 1; 100.27, Subdivisions 1, 3, 4, 5, and 7; 100.28, Subdivision 1; 101.42, Subdivision 8; and Laws 1961, Chapter 66, Section 1, as amended; repealing Minnesota Statutes 1976, Section 348.071.

May 19, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 381 report that we have agreed upon the items in dispute and recommend as follows:

That S. F. No. 381 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 97.56, is amended to read:

97.56 [REMOVAL OF BEAVER FROM STATE-OWNED LANDS.] In any county in the state where the board of county commissioners shall have ~~unanimously requested by resolution request~~ him to do so, the commissioner of natural resources shall ~~may~~ take necessary steps to remove beaver, at state expense, from state owned lands located in that county.

Sec. 2. Minnesota Statutes 1976, Section 98.46, Subdivision 2, is amended to read:

Subd. 2. Fees for the following licenses, to be issued to residents only, shall be:

- (1) To take small game, \$5;
- (2) To take deer or bear, or both, with firearms during the period in which the licensee may take deer, \$10;
- (3) To take deer or bear, or both, with bow and arrow during the period in which the licensee may take deer, \$10;
- (4) To take fish by angling, \$5;
- (5) Combination husband and wife, to take fish by angling, \$8;
- (6) To take moose, \$100 for an individual or for a party of not to exceed four persons;
- (7) To take bear only, \$7.50 ;
- (8) *To take turkeys, \$10, in addition to a small game license .*

Sec. 3. Minnesota Statutes 1976, Section 98.46, Subdivision 2a, is amended to read:

Subd. 2a. The commissioner of natural resources ~~may shall~~ issue Minnesota sportsman licenses ~~by March 1, 1978~~ . The licenses shall be issued to residents only. The fee for licenses shall be \$17 \$9 if the angling license is for one person and \$19 \$12 if the angling license is a combination husband and wife license. These fees do not include the surcharge authorized pursuant to section 97.482.

The license shall authorize the licensee to:

- (1) Take small game;

(2) Take fish by angling †.

(3) Take deer or bear with firearms during the period in which the licensee may take deer; or take deer or bear with bow and arrow during the period in which the licensee may take deer. *The game and fish subcommittee of the house of representatives and the fish and wildlife subcommittee of the senate shall study the feasibility of other combinations for sportsman's licenses prior to January 1, 1978.*

Sec. 4. Minnesota Statutes 1976, Section 98.46, Subdivision 14, is amended to read:

Subd. 14. Fees for the following licenses, to be issued to non-residents, shall be:

(1) To take small game and unprotected quadrupeds with firearms and bow and arrows, \$25;

(2) To take deer and bear during the period in which the licensee may take deer, and unprotected quadrupeds with firearms and bow and arrows, \$60;

(3) To take deer and bear during the period in which the licensee may take deer, and unprotected quadrupeds with a bow and arrows only, \$25;

(4) To take bear, \$25.25 ;

(5) *To take turkeys, \$30, in addition to a small game license.*

Sec. 5. Minnesota Statutes 1976, Section 98.46, Subdivision 21, is amended to read:

Subd. 21. The commissioner may by order require every licensee to tag at the place where trapped, beaver, fisher or otter. The tag will be of a type prescribed by the commissioner and bearing the license number of the owner and the year of its issue. Tags will be issued with the license at no additional cost. *During the calendar years 1977 and 1978 the commissioner shall require the tagging of fisher in the manner designated in this subdivision.*

Sec. 6. Minnesota Statutes 1976, Section 98.50, Subdivision 5, is amended to read:

Subd. 5. Any resident desiring to sell the licenses referred to in subdivision 1 may either purchase for cash or obtain on consignment license blanks from a county auditor in groups of not less than five non-resident, and ten resident license blanks. In addition to the basic license fee, he shall collect a fee for issuing each license in the amount of 75 cents for the license to take deer and for the sportsman license authorized in section 98.46, subdivision 2a, and 50 cents for all other licenses. In selling such licenses, he shall be deemed an agent of the county auditor and the commissioner, and he shall observe all rules and regulations promulgated by the commissioner for the accounting for and handling of such licenses.

The county auditor shall promptly deposit all moneys received

from the sale of licenses with the county treasurer, and shall promptly transmit such reports as may be required by the commissioner, together with his warrant on the county treasurer for 100 percent of the surcharge imposed by section 97.482 plus 96 percent of the price to the licensee, exclusively of said surcharge and the issuing fee, for each license sold or consigned by him and subsequently sold to a licensee during the accounting period. The county auditor shall retain as his commission four percent of all license fees, excluding issuing fees for licenses consigned to subagents. In addition, for licenses sold for cash directly to the licensee, the auditor shall collect the same issuing fee as a subagent. Unsold license blanks in the hands of any agent shall be redeemed by the commissioner if presented for redemption within the time prescribed by the commissioner therefor. Any license blanks not presented for redemption within the period prescribed shall be conclusively presumed to have been sold, and the agent possessing the same or to whom they are charged shall be accountable therefor. The commissioner shall collect the same issuing fee as a subagent for licenses sold directly through a license distribution center operated by the department of natural resources. The issuing fees so collected by the commissioner shall be credited to the game and fish fund.

Sec. 7. Minnesota Statutes 1976, Chapter 98, is amended by adding a section to read:

[98.501] [AGENTS FEE.] *The basic license fee for each license referred to in section 98.50, subdivision 1, shall be increased by the amount of the seller's fee permitted by section 98.50, subdivision 5, for that particular license. The seller shall collect his fee by retaining the permitted fee from the purchase price of a license. Each license shall contain an explanation of the amount of the license fee which is retained by the seller of the license as his fee.*

Sec. 8. Minnesota Statutes 1976, Section 100.26, Subdivision 1, is amended to read:

100.26 [UNPROTECTED ANIMALS.] Subdivision 1. Weasel, beaver, coyote (brush wolf), ~~fox~~, gopher, porcupine, badger, and all other quadrupeds for which no closed season or other protection is accorded by chapters 97 to 102, are unprotected animals and may be taken either in the daytime or at night, and in any manner, except with the aid of artificial lights, and possessed, bought, sold or transported in any quantity, provided that for the safety of humans and domestic stock, poison may not be used in the taking thereof, except in the manner authorized by sections 18.021 to 18.035 section 18.022. It shall be unlawful to intentionally drive, chase, run over or kill with any motor propelled vehicle any unprotected animals. The taking of any species of bear may be permitted by order of the commissioner without a license therefor in such areas of the state and during such periods as he may deem necessary, upon a determination that the predation of bear represents a threat to livestock or other property. No fox may be removed from a den or trapped within 300 feet of a fox den during the period beginning April 1 and ending August 31 of

each year. No person may sell live fox without a permit from the commissioner authorizing the sale of fox.

Sec. 9. Minnesota Statutes 1976, Section 100.27, Subdivision 1, is amended to read:

100.27 [SEASONS.] Subdivision 1. Except as otherwise specifically provided, there shall be no open season on elk, caribou, antelope, marten, fisher, or wolverine, or wild turkeys.

Sec. 10. Minnesota Statutes 1976, Section 100.27, Subdivision 3, is amended to read:

Subd. 3. The commissioner shall prescribe by order the areas within the state and any other restrictions under which the following animals may be taken and possessed, subject to all other provisions of chapters 97 to 102, between the dates, if any, set opposite the species:

(1) Grey and fox squirrels, October 15 and December 31 state-wide; and during such any other times, within such any areas, and subject to such any other restrictions as the commissioner by order may prescribe;

(2) Jack rabbits, cottontail rabbits and varying hare or snowshoe rabbits, September 16 and March 1;

(3) Raccoon may be taken and possessed, subject to the provisions of chapters 97 to 102 and the restrictions imposed by order of the commissioner between, October 15 and December 31 state-wide. Notwithstanding the restrictions imposed by this subdivision, raccoon may be treed without being taken by the use of dogs at any time during the year, except for those restrictions found in section 100.29, subdivision 20;

(4) Lynx, or bobcat with the length of the season, if any, for either species determined by the commissioner based upon population estimates of lynx either species within the state;

(5) Fox, provided that no fox may be removed from a den or trapped within 300 feet of a fox den during the period from April 1 and ending August 31 of each year;

(6) Fisher.

Sec. 11. Minnesota Statutes 1976, Section 100.27, Subdivision 4, is amended to read:

Subd. 4. Muskrats may be taken for a period not exceeding 60 days in the aggregate for the area, otter for a period not exceeding 15 days, only by trapping, and mink for a period not exceeding 90 days, in such the areas of the state and, during such the times between November 1st and April 30th of the following year and subject to such regulations as any other restrictions which the commissioner shall prescribe, between November 1 and April 30 following; and Beaver may be taken, by trapping only, for a period, or periods, not exceeding a total of 45 days, in such the areas of the state and, during such the times between December 1st and April 30th of the following year and subject to such

regulations as any other restrictions which the commissioner shall prescribe ; between November 1 and May 31 following; provided that during the calendar year 1975 there shall be no season open for the taking of beaver in that portion of the state lying northerly and easterly of a line commencing at the intersection of state trunk highway numbered 71 and the Canadian border and running southerly along state trunk highway numbered 71 to its intersection with state trunk highway numbered 6; thence southerly along state trunk highway numbered 6 to its intersection with state trunk highway numbered 18; thence easterly along state trunk highway numbered 18 to its intersection with state highway numbered 23; thence northeasterly along state trunk highway numbered 23 to Duluth except Pine county; provided further that in the portion of the state lying northerly and easterly of the line previously described that beaver may be taken in the calendar year 1976 and following, in the manner and subject to regulations described above, but only for a period, or periods, not exceeding a total of 45 days between November 1 and May 31 following .

Sec. 12. Minnesota Statutes 1976, Section 100.27, Subdivision 5, is amended to read:

Subd. 5. Except as otherwise expressly provided, quail, partridges or ruffed grouse, Canada spruce grouse, pheasants, prairie chicken or pinnated grouse, white breasted or sharp tailed grouse, Hungarian partridge or , chukar partridge, or turkeys (*meleagris gallopavo*) may be taken and possessed, subject to all other provisions of chapters 97 to 102, only in such the areas of the state and during such the times between September 16 and December 31, as which the commissioner shall prescribe. *The commissioner may by order prescribe an additional period for the taking of turkeys in the spring.*

Sec. 13. Minnesota Statutes 1976, Section 100.27, Subdivision 7, is amended to read:

Subd. 7. Badger, Mink, squirrels, rabbits, hares, raccoon, lynx, bobcat, fox, or beaver may taken in any manner, except by poison, or artificial lights in closed season, by the actual occupant or owner of any land whereon the animals so killed are causing any damage or injury. Upon so killing any such animals, *other than squirrels, rabbits, and hares*, the entire carcass, including the hide, shall be turned over and surrendered to the nearest conservation officer or employee of the division within 24 hours of the time such the animal was killed.

Sec. 14. Minnesota Statutes 1976, Section 100.28, Subdivision 1, is amended to read:

100.28 [LIMITS.] Subdivision 1. Not more than one deer or ten beaver shall be taken by any licensee during any one year.

Sec. 15. Minnesota Statutes 1976, Section 100.29, Subdivision 1, is amended to read:

100.29 [RESTRICTIONS AND PROHIBITIONS.] Subdivision 1. It shall be unlawful to take protected wild animals, except

raccoon, with the use of a gun or bow and arrows between sunset and one-half hour before sunrise. *It shall be unlawful to take pheasants between sunset and 9 a.m.*

Sec. 16. Minnesota Statutes 1976, Section 101.42, Subdivision 8, is amended to read:

Subd. 8. Except as otherwise specifically permitted, it shall be unlawful to take trout, except lake trout, on the opening day of the season prior to the hour of 10:00 A.M., Central Standard Time, or on any other day of the open season, between 11:00 P.M., Central Standard Time, 11 p.m. and one hour before sunrise.

Sec. 17. Laws 1961, Chapter 66, Section 1, as amended by Laws 1971, Chapter 867, Section 1, is amended to read:

Section 1. [GAME AND FISH; SMALL GAME HUNTING LICENSES; WILDLIFE DEVELOPMENT, EXTENSION OF PROGRAM.] The provisions of Laws 1957, Chapter 644, Sections 1 to 4 appearing in Minnesota Statutes 1960 1976 as Sections 97.481 to 97.484 inclusive, shall continue in effect until December 31, 1978 February 28, 1985, notwithstanding any provision of Laws 1957, Chapter 644, Section 5, to the contrary.

Sec. 18. *Minnesota Statutes 1976, Section 348.071, is repealed.*

Sec. 19. *Sections 1 and 16 are effective the day following final enactment. Section 7 is effective March 1, 1978.*

Further, delete the title and insert:

"A bill for an act relating to game and fish; changing the commissioner's duties in the removal of beaver; authorizing seasons for taking bobcat, fisher, fox, and wild turkey; requiring the tagging of fisher; including the agent's fees within certain license fees; requiring the commissioner to issue sportsman's licenses; extending the season and eliminating the annual limit for taking beaver; changing the hours for taking trout; prohibiting the taking of pheasants between sunset and 9 a.m.; extending the surcharge on small game licenses; amending Minnesota Statutes 1976, Sections 97.56; 98.46, Subdivisions 2, 2a, 14, and 21; 98.50, Subdivision 5; 100.26, Subdivision 1; 100.27, Subdivisions 1, 3, 4, 5, and 7; 100.28, Subdivision 1; 100.29, Subdivision 1; 101.42, Subdivision 8; Chapter 98, by adding a section; and Laws 1961, Chapter 66, Section 1, as amended; repealing Minnesota Statutes 1976, Section 348.071."

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

Senate Conferees: (Signed) Collin C. Peterson, Jim Nichols and John Bernhagen.

House Conferees: (Signed) Leo Reding, Joseph Begich and Glen Anderson.

Mr. Peterson moved that the foregoing recommendations and Conference Committee Report on S. F. No. 381 be now adopted, and that the bill be repassed as amended by the Conference Com-

mittee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S. F. No. 381: A bill for an act relating to game and fish; changing the commissioner's duties in the removal of beaver; authorizing seasons for taking bobcat, fisher, fox, and wild turkey; requiring the commissioner to issue sportsman's licenses; extending the season and eliminating the annual limit for taking beaver; changing the hours for taking trout; extending the surcharge on small game licenses; amending Minnesota Statutes 1976, Sections 97.56; 98.46, Subdivisions 2, 2a, and 14; 100.26, Subdivision 1; 100.27, Subdivisions 1, 3, 4, 5, and 7; 100.28, Subdivision 1; 101.42, Subdivision 8; and Laws 1961, Chapter 66, Section 1, as amended; repealing Minnesota Statutes 1976, Section 348.071.

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

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

The roll was called, and there were yeas 34 and nays 6, as follows:

Those who voted in the affirmative were:

Ashbach	Johnson	Nelson	Pillsbury	Solon
Bang	Kirchner	Nichols	Purfeerst	Stokowski
Chmielewski	Kleinbaum	Ogdahl	Schmitz	Strand
Coleman	Knoll	Olson	Schrom	Ulland, J.
Engler	Lessard	Penny	Setzenfandt	Vega
Gearty	Luther	Perpich	Sieloff	Wegener
Hanson	Moe	Peterson	Sikorski	

Those who voted in the negative were:

Dieterich	Keefe, S.	Lewis	Stumpf	Tennessee
Hughes				

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

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 583 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 583

A bill for an act relating to insurance companies; prescribing penalties for violation of certain filing requirements; amending Minnesota Statutes 1976, Chapter 72A, by adding a section; repealing Minnesota Statutes 1976, Section 72A.06.

May 19, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 583 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. 583 be amended as follows:

Page 3, after line 22, insert a new section to read:

"Sec. 2. Subdivision 1. On or before March 15 of each year each insurer providing product liability insurance or excess insurance above self-insured retention to one or more manufacturers, sellers or distributors in this state, shall file with the commissioner of insurance a report of the product liability claims made against its insureds, resident or located in Minnesota, which have been closed during the one year period ending December 31 of the previous year, provided, however, that this subdivision shall not require reporting of any information regarding claims closed prior to June 30, 1977. This report shall contain, but need not be limited to, the following information: the total number of product liability claims, broken down by the type or category of claims, and the total amount paid in settlement or discharge of the claims for each type of category of claims.

Subd. 2. On or before March 15 of each year each insurer providing product liability insurance or excess insurance above self-insured retention to one or more manufacturers, sellers or distributors in this state shall file with the commissioner of insurance a report containing the following information for the one year period ending December 31 of the previous year, provided, however, that information for the period preceding June 30, 1977 need not be reported:

(a) The total amount of premiums received from insured persons, resident or located in Minnesota, which are attributable to product liability insurance;

(b) The total number of persons, resident or located in Minnesota, for which the insurer provided products liability insurance; and

(c) The total number of persons, resident or located in Minnesota, whose product liability insurance coverage the insurer cancelled or refused to renew and the reasons therefor.

Any manufacturer, seller or distributor which is self insured shall be considered to be an insurer for the purposes of this section and shall comply with the reporting requirements of this section, and any data reported by a self-insured person pursuant to this section may be reported by the commissioner only in the form of summary data, as defined in Minnesota Statutes, Section 15.162, Subdivision 9.

Subd. 3. This section expires April 1, 1979."

Renumber the remaining sections

Further amend the title as follows:

Page 1, line 4, after the semicolon insert "providing for the re-

porting of certain claims and other information to the commissioner of insurance;"

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

Senate Conferees: (Signed) Sam Solon, Allan Spear and Jack Davies.

House Conferees: (Signed) M. B. Nelsen, Lyle Abeln and O. J. Heinitz.

Mr. Solon moved that the foregoing recommendations and Conference Committee Report on S. F. No. 583 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. 583: A bill for an act relating to insurance companies; prescribing penalties for violation of certain filing requirements; amending Minnesota Statutes 1976, Chapter 72A, by adding a section; repealing Minnesota Statutes 1976, Section 72A.06.

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

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

The roll was called, and there were yeas 37 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Johnson	Nelson	Schmitz	Stumpf
Bang	Keefe, S.	Ogdahl	Schrom	Tennessee
Chmielewski	Kleinbaum	Olson	Setzenfandt	Ulland, J.
Coleman	Knoll	Penny	Sieloff	Vega
Dieterich	Lessard	Perpich	Sikorski	Wegener
Engler	Lewis	Peterson	Solon	
Gearty	Luther	Pillsbury	Stokowski	
Hughes	Moe	Purfeerst	Strand	

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Perpich moved that S. F. No. 274 be taken from the table. The motion prevailed.

Mr. Perpich moved that the recommendations and Conference Committee Report on S. F. No. 274 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. 274: A bill for an act relating to natural resources; authorizing additions to and deletions from certain state parks; authorizing land acquisition in relation thereto; amending Laws 1945, Chapter 484, Section 1, as amended.

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

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

The roll was called, and there were yeas 44 and nays 1, as follows:

Those who voted in the affirmative were:

Benedict	Jensen	Lewis	Peterson	Staples
Bernhagen	Johnson	Luther	Pillsbury	Stokowski
Brataas	Keefe, J.	Menning	Renneke	Strand
Chmielewski	Keefe, S.	Milton	Schmitz	Tennessen
Coleman	Kirchner	Moe	Setzepfandt	Ulland, J.
Dieterich	Kleinbaum	Nelson	Sieloff	Vega
Engler	Knoll	Olhoff	Sikorski	Wegener
Gearty	Knutson	Olson	Sillers	Willet
Hanson	Laufenburger	Perpich	Spear	

Mr. Frederick voted in the negative.

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

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated the General Orders Calendar a Special Orders Calendar to be heard immediately.

SPECIAL ORDER

H. F. No. 611: A bill for an act relating to retirement; date for payment of monthly annuities and benefits; additional lump sum payments to certain retirees; disabilitants and surviving spouses; amending Minnesota Statutes 1976, Chapter 356, by adding a section; Sections 352.01, Subdivision 21; and 354.46, Subdivision 3.

Mr. Ulland, J. moved to amend H. F. No. 611, as follows:

Page 5, after line 4, insert

"Sec. 6. [LIMITATION ON PUBLIC PENSIONS.] Notwithstanding any general or special law or any article of incorporation or bylaw provision to the contrary, no employee contribution to any of the covered retirement funds enumerated in Minnesota Statutes, Section 356.30, Subdivision 3 shall be made upon any portion of an employee's salary in excess of \$25,000 in any year. Employer contributions shall continue to be made upon an employee's actual salary. Savings accruing to a covered retirement fund pursuant to this section shall be placed in a special fund or account by the appropriate governing board and utilized for the payment of retirement annuities, disability benefits and survivor benefits to retirees, disabilitants and survivors who are receiving or shall hereafter receive annuities or benefits under the law in effect prior to the determinant date specified in Minnesota Statutes, Section 356.35, Subdivision 2."

Renumber the remaining section

Further, amend the title in line 5 after the semicolon by inserting "limiting employee contributions to public retirement plans;"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 11 and nays 37, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kirchner	Pillsbury	Sieloff
Bang	Jensen	Knutson	Renneke	Ulland, J.
Bernhagen				

Those who voted in the negative were:

Benedict	Keefe, S.	Menning	Purfeerst	Strand
Chmielewski	Kleinbaum	Milton	Schaaf	Stumpf
Coleman	Knoll	Moe	Schmitz	Tennessee
Dieterich	Laufenburger	Nelson	Setzepfandt	Vega
Gearty	Lessard	Ogdahl	Sikorski	Wegener
Gunderson	Lewis	Olson	Spear	
Hanson	Luther	Perpich	Staples	
Johnson	McCutcheon	Peterson	Stokowski	

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

H. F. No. 611 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Luther	Peterson	Staples
Ashbach	Hanson	McCutcheon	Pillsbury	Stokowski
Bang	Jensen	Menning	Purfeerst	Strand
Benedict	Johnson	Milton	Renneke	Stumpf
Bernhagen	Keefe, S.	Moe	Schaaf	Tennessee
Borden	Kleinbaum	Nelson	Schmitz	Ulland, J.
Brataas	Knoll	Ogdahl	Setzepfandt	Vega
Chmielewski	Knutson	Olhoff	Sieloff	Wegener
Dieterich	Laufenburger	Olson	Sikorski	
Engler	Lessard	Penny	Sillers	
Gearty	Lewis	Perpich	Spear	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H. F. No. 1052: A bill for an act relating to human services; providing grants to plan and organize human services programs; requiring notification of affected state agencies; requiring certain membership on advisory councils; promulgating rules; providing for auditing of funds; giving additional powers to the state planning officer; appropriating money; amending Minnesota Statutes 1976, Sections 402.01, by adding a subdivision; 402.02, Subdivisions 1 and 2; 402.03; 402.04, Subdivision 1; 402.05; and 402.06; repealing Minnesota Statutes 1976, Sections 402.08 and 402.09.

Mr. Olson moved that the amendment made to H. F. No. 1052 by the Committee on Rules and Administration in the report

adopted May 18, 1977, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H. F. No. 1052 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lessard	Perpich	Sillers
Ashbach	Gunderson	Luther	Peterson	Spear
Bang	Hanson	Menning	Pillsbury	Staples
Benedict	Hughes	Milton	Purfeerst	Stokowski
Bernhagen	Jensen	Moe	Renneke	Strand
Brataas	Johnson	Nelson	Schaaf	Stumpf
Chmielewski	Keefe, J.	Nichols	Schmitz	Tennessee
Coleman	Kirchner	Olhoft	Setzepfandt	Ulland, J.
Dieterich	Knoll	Olson	Sieloff	Vega
Engler	Knutson	Penny	Sikoraki	Wegener

So the bill passed and its title was agreed to.

SPECIAL ORDER

H. F. No. 962: 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 1976, Sections 16.023; 16A.27; 43.12, Subdivision 11; 84B.07; 136A.08, Subdivisions 1 and 2; 176.183, Subdivision 2; 192.52; 268.06, Subdivision 25; 299D.03, Subdivision 1; 351.11; 352E.02; 481.15, Subdivision 2; and Laws 1973, Chapter 567, Section 7; repealing Minnesota Statutes 1976, Sections 124.23; 136.508; 261.233; 252E.05; 355.31 to 355.39.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	McCutcheon	Pillsbury	Staples
Bang	Hanson	Milton	Purfeerst	Stokowski
Benedict	Hughes	Moe	Renneke	Strand
Bernhagen	Johnson	Nelson	Schmitz	Stampf
Brataas	Keefe, J.	Nichols	Setzepfandt	Tennessee
Chmielewski	Knoll	Ogdahl	Sieloff	Ulland, J.
Coleman	Laufenburger	Olhoft	Sikoraki	Vega
Dieterich	Lessard	Penny	Sillers	Wegener
Engler	Luther	Peterson	Spear	

So the bill passed and its title was agreed to.

Mr. Knoll moved that S. F. No. 1339, No. 4 on Special Orders, be stricken and returned to its author. The motion prevailed.

SPECIAL ORDER

H. F. No. 772: A bill for an act relating to state contracts; regulating bid and performance bonds for small businesses and minority small business; appropriating money; amending Minnesota Statutes 1976, Chapter 574, by adding a section.

SUSPENSION OF RULES

Mr. Knoll 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. 772 and that the rules of the Senate be so far suspended as to give H. F. No. 772, now on Special Orders its third reading and place it on its final passage. The motion prevailed.

H. F. No. 772 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	McCutcheon	Pillsbury	Stokowski
Ashbach	Hughes	Menning	Purfeerst	Strand
Bang	Johnson	Milton	Renneke	Stumpf
Benedict	Keefe, J.	Moe	Schaaf	Tenessen
Chmielewski	Kleinbaum	Nelson	Schmitz	Ulland, A.
Coleman	Knoll	Nichols	Setzpfandt	Ulland, J.
Dieterich	Knutson	Olhoft	Sieloff	Vega
Engler	Laufenburger	Olson	Sikorski	Wegener
Gearly	Lessard	Penny	Sillers	
Gunderson	Luther	Perpich	Staples	

So the bill passed and its title was agreed to.

Pursuant to Rule 21, Mr. Tennessen moved that the following members be excused for a Conference Committee on H. F. No. 1054:

Messrs. Tennessen, Perpich and Renneke. The motion prevailed.

Pursuant to Rule 21, Mr. Kleinbaum moved that the following members be excused for a Conference Committee on H. F. No. 1610:

Messrs. Kleinbaum, Schaaf, Purfeerst and Ogdahl. The motion prevailed.

Pursuant to Rule 21, Mr. Ulland, J. moved that the following members be excused for a Conference Committee on S. F. No. 1349 from 2:30 to 3:30 p.m.:

Messrs. Ulland, J.; Schaaf and Sikorski. The motion prevailed.

MEMBERS EXCUSED

Mr. Setzpfandt was excused from today's Session at 3:15 o'clock p.m.

SPECIAL ORDER

H. F. No. 937: A bill for act relating to Ramsey county; deleting obsolete provisions in the Ramsey county code relating to parks and recreation; amending Laws 1974, Chapter 435, Section 1.0205.

Mr. Stumpf moved to amend H. F. No. 937 as follows:

Page 13, after line 8, insert:

"Sec. 3. Notwithstanding any other law or charter provision to the contrary, commencing with the budget year starting January 1, 1978, and continuing thereafter, the expense of keeping the court house and city hall for the county of Ramsey and city of Saint Paul in normal repair and the necessary expense of heating and maintaining the same shall be paid by the county of Ramsey and the city of Saint Paul based upon their respective exclusive usage or occupancy of the building. No later than September 1 of each year the joint court house and city hall committee shall determine the proportionate square foot exclusive usage or occupancy of the building by the county and city respectively and shall submit this determination to the county board and city council together with the recommended annual budget for the next year's expenses."

Page 13, line 9, strike "This act is" and insert "Sections 1 and 2 are"

Page 13, line 11, after the period, insert "Section 3 is effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Line 2, after "county" insert "and the city of St Paul"

Line 4, after "recreation;" insert "providing for a division of costs between the county of Ramsey and the city of St. Paul to maintain the joint court house and city hall;"

The motion prevailed. So the amendment was adopted.

H. F. No. 937 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Knoll	Nichols	Sillers
Ashbach	Engler	Knutson	Olhoft	Staples
Bang	Gearty	Laufenburger	Olson	Stokowski
Benedict	Gunderson	Lessard	Penny	Strand
Bernhagen	Hanson	Luther	Peterson	Stumpf
Brataas	Hughes	Menning	Purfeerst	Ulland, J.
Chenoweth	Johnson	Milton	Schmitz	Vega
Chmielewski	Keefe, J.	Moe	Setzepfandt	Wegener
Davies	Kleinbaum	Nelson	Sieloff	

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

SPECIAL ORDER

H. F. No. 462: A bill for an act relating to public health; requiring the provision of health record information to certain persons; requiring the transfer of health records under certain conditions; amending Minnesota Statutes 1976, Chapter 144, by adding a section.

Mr. Milton moved to amend the amendment placed on H. F. No. 462 by the Committee on Judiciary, adopted by the Senate May 10, 1977, as follows:

Section 1, subdivision 2, line 1, strike "*Except as otherwise provided*"

Section 1, subdivision 2, line 2, strike "*by law,*"

Section 1, subdivision 2, line 3, strike "*provided*" and insert "*provider*"

Section 1, subdivision 2, line 6, strike "*for information*"

Section 1, subdivision 2, line 7, strike "*the expense of*" and insert "*a reasonable cost to*"

Section 1, subdivision 2, line 19, strike "*provided*" and insert "*provider*"

After section 1, subdivision 3, insert:

"*Subd. 4. [ADDITIONAL PATIENT RIGHTS.] The rights set forth in this section are in addition to the rights set forth in sections 144.651 and 144.652 and any other provision of law relating to the access of a patient to his health records.*"

The motion prevailed. So the amendment to the amendment was adopted.

H. F. No. 462 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 36 and nays 9, as follows:

Those who voted in the affirmative were:

Anderson	Gearly	Luther	Penny	Stumpf
Benedict	Gunderson	Menning	Peterson	Tennessee
Chenoweth	Hughes	Merriam	Renneke	Ulland, J.
Coleman	Johnson	Milton	Schmitz	Vega
Davies	Keefe, J.	Moe	Sieloff	
Dieterich	Keefe, S.	Nelson	Sillers	
Dunn	Knoll	Nichols	Stokowski	
Engler	Laufenburger	Olson	Strand	

Those who voted in the negative were:

Ashbach	Bernhagen	Knutson	Purfeerst	Wegener
Bang	Brataas	Pillsbury	Ueland, A.	

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

Pursuant to Rule 21, Mr. Tennessen moved that the following members be excused for a Conference Committee on H. F. No. 415 at 4:00 p.m.:

Messrs. Tennessen; Nelson; Keefe, J.; Merriam and Davies. The motion prevailed.

Pursuant to Rule 21, Mr. Nelson moved that the following members be excused for a Conference Committee on S. F. No. 1337 at 4:00 p.m.:

Messrs. Nelson, Coleman, Moe, Penny and Ogdahl. The motion prevailed.

Pursuant to Rule 21, Mr. Setzepfandt moved that the following members be excused for a Conference Committee on S. F. No. 73 at 4:00 p.m.:

Messrs. Strand, Nichols, Setzepfandt, Renneke and Hanson. The motion prevailed.

Pursuant to Rule 21, Mr. Anderson moved that the following members be excused for a Conference Committee on H. F. No. 522 at 6:00 p.m.:

Mr. Anderson, Mrs. Staples and Mr. Bernhagen. The motion prevailed.

SPECIAL ORDER

H. F. No. 818: A bill for an act relating to highway traffic regulations; implements of husbandry; restricting the speed of certain implements of husbandry on the highways; providing a penalty; amending Minnesota Statutes 1976, Chapter 169, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 38 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Keefe, S.	Pillsbury	Strand
Ashbach	Dunn	Knutson	Purfeerst	Stumpf
Bang	Engler	Laufenburger	Renneke	Tennessen
Benedict	Frederick	Luther	Schmitz	Ueland, A.
Bernhagen	Gearty	Menning	Sieloff	Ulland, J.
Brataas	Gunderson	Nelson	Sikoriski	Wegener
Chenoweth	Hughes	Nichols	Sillers	
Davies	Johnson	Penny	Stokowski	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H. F. No. 1060: A bill for an act relating to education; loans to medical students; changing requirements for loan forgiveness and limitations on loan amounts; amending Minnesota Statutes 1976, Sections 147.30 and 147.31.

Mr. Dieterich moved to amend H. F. No. 1060, as amended pursuant to Rule 49, adopted by the Senate May 19, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 227.)

Page 1, line 22, after the period insert *"In selecting recipients, the higher education coordinating board shall not discriminate against any applicant based on residence in an urban area prior to or at the time of application."*

The motion prevailed. So the amendment was adopted.

H. F. No. 1060 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 36 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	McCutcheon	Schrom	Ueland, A.
Bang	Gearly	Menning	Sieloff	Ulland, J.
Bernhagen	Gunderson	Milton	Sikoraki	Vega
Brataas	Hughes	Nelson	Sillers	Wegener
Coleman	Johnson	Penny	Staples	
Davies	Keefe, S.	Pillsbury	Stokowski	
Dieterich	Laufenburger	Renneke	Strand	
Dunn	Luther	Schmitz	Stumpf	

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

SPECIAL ORDER

H. F. No. 938: A bill for an act relating to Ramsey county and the city of Saint Paul; providing for construction of necessary highway improvements; apportioning costs; prescribing certain limitations; amending Laws 1974, Chapter 435, Section 1.0200, as amended.

Mr. Dieterich moved to amend H. F. No. 938, as amended pursuant to Rule 49, adopted by the Senate May 18, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 958.)

Strike the amendments to page 1, and to page 2, line 1, made pursuant to Rule 49.

The motion prevailed. So the amendment was adopted.

H. F. No. 938 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 36 and nays 0, as follows:

Those who voted in the affirmative were:

Benedict	Johnson	Menning	Renneke	Tennesen
Bernhagen	Keefe, J.	Nelson	Schrom	Ueland, A.
Dieterich	Keefe, S.	Nichols	Sieloff	Ulland, J.
Dunn	Knoll	Olhoft	Sikorski	Vega
Gearty	Laufenburger	Olson	Staples	
Gunderson	Lewis	Penny	Stokowski	
Hanson	Luther	Perpich	Strand	
Hughes	McCutcheon	Pillsbury	Stumpf	

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

SPECIAL ORDER

H. F. No. 167: A bill for an act relating to public welfare; providing liability insurance to all foster boarding homes licensed by the department of public welfare; appropriating money; amending Minnesota Statutes 1976, Chapter 245, by adding a section.

Mrs. Staples moved to amend H. F. No. 167, as amended pursuant to Rule 49, adopted by the Senate May 19, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1486.)

Page 1, line 14, strike "*acts of their*" and insert a colon

Page 1, line 15, strike "*foster children residing in*" and insert:

"(1) *injuries or property damage caused or sustained by foster children in their homes; and*

(2) *actions arising out of alienation of affections sustained by the natural parents of a foster child. Coverage shall apply to all*"

The motion prevailed. So the amendment was adopted.

H. F. No. 167 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Davies	Laufenburger	Penny	Sillers
Ashbach	Dieterich	Lewis	Perpich	Staples
Bang	Gearty	Luther	Peterson	Stokowski
Benedict	Hanson	McCutcheon	Pillsbury	Stumpf
Bernhagen	Hughes	Menning	Renneke	Tennesen
Brataas	Johnson	Moe	Schmitz	Ueland, A.
Chenoweth	Keefe, J.	Nelson	Setzepfandt	Ulland, J.
Chmielewski	Keefe, S.	Olhoft	Sieloff	Vega
Coleman	Knoll	Olson	Sikorski	

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

SPECIAL ORDER

H. F. No. 1040: A bill for an act relating to finance; deleting obsolete provisions; changing and clarifying cross-references; authorizing commissioner of finance to transfer money to revolving funds in certain cases; transferring air travel account from commissioner of administration to commissioner of finance; codifying certain provisions formerly in session laws; appropriating money; amending Minnesota Statutes 1976, Sections 12.24, Subdivision 2; 15.50, Subdivision 5; 16.172; 16.80, Subdivision 1; 16A.126; 16A.17, Subdivision 9; 18.69; 43.43, Subdivision 2; 121.48, Subdivision 2; 124.212, Subdivision 19; 136.11, Subdivision 5; 136.144; 136.37; 136.55, Subdivision 2; and Chapters 16A, by adding a section; and 243, by adding a section; repealing Minnesota Statutes 1976, Sections 16.02, Subdivision 21; 16.026, Subdivision 5; and 16A.05; and Laws 1945, Chapter 575, Sections 19 and 21.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 2, as follows:

Those who voted in the affirmative were:

Bang	Gearty	Luther	Pillsbury	Stumpf
Benedict	Hanson	McCutcheon	Renneke	Tennessen
Bernhagen	Hughes	Moe	Schmitz	Ueland, A.
Brataas	Johnson	Nelson	Setzpfandt	Ulland, J.
Chenoweth	Keefe, S.	Nichols	Sikorski	Vega
Chmielewski	Kirchner	Olson	Sillers	
Coleman	Knoll	Penny	Spear	
Davies	Laufenburger	Perpich	Staples	
Dieterich	Lewis	Peterson	Strand	

Messrs. Ashbach and Sieloff voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

H. F. No. 351: A bill for an act relating to historic sites; providing for the administration and control of additional sites by the Minnesota historical society; amending Minnesota Statutes 1976, Section 138.025, by adding subdivisions.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 42 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Davies	Keefe, S.	Lewis	Nichols
Bang	Dieterich	Kirchner	Luther	Olhoff
Benedict	Gearty	Knoll	Menning	Olson
Bernhagen	Hughes	Laufenburger	Moe	Penny
Chmielewski	Johnson	Lessard	Nelson	Perpich

Peterson	Setzepfandt	Spear	Stumpf	Vega
Pillsbury	Sieloff	Staples	Tennessee	
Renneke	Sikorski	Stokowski	Ueland, A.	
Schmitz	Sillers	Strand	Ulland, J.	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H. F. No. 456: A bill for an act relating to the operation of state government; providing for the purchase of certain motor vehicles for use by investigative and undercover agents of the department of public safety; amending Minnesota Statutes 1976, Section 16.07, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 43 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Johnson	Menning	Pillsbury	Stokowski
Bang	Keefe, J.	Milton	Renneke	Strand
Benedict	Keefe, S.	Moe	Schmitz	Stumpf
Chenoweth	Kirchner	Nelson	Setzepfandt	Tennessee
Chmielewski	Knoll	Nichols	Sieloff	Ueland, A.
Dieterich	Laufenburger	Olhoft	Sikorski	Ulland, J.
Gearty	Lessard	Olson	Sillers	Vega
Gunderson	Lewis	Penny	Spear	
Hughes	Luther	Peterson	Staples	

Mr. Perpich voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

H. F. No. 105: A resolution relating to the eastern timber wolf; urging the Secretary of the Interior to return management control of the eastern timber wolf to the state of Minnesota.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 38 and nays 18, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	McCutcheon	Peterson	Strand
Ashbach	Gearty	Menning	Pillsbury	Ueland, A.
Benedict	Gunderson	Moe	Schmitz	Ulland, J.
Bernhagen	Hanson	Nelson	Setzepfandt	Vega
Brataas	Jensen	Nichols	Sieloff	Wegener
Chmielewski	Johnson	Olhoft	Sikorski	Willet
Coleman	Laufenburger	Olson	Staples	
Engler	Lessard	Penny	Stokowski	

Those who voted in the negative were:

Bang	Hughes	Knoll	Milton	Spear
Chenoweth	Keefe, J.	Lewis	Renneke	Stumpf
Davies	Keefe, S.	Luther	Sillers	Tennessee
Dieterich	Kirchner	Merriam		

So the bill passed and its title was agreed to.

SPECIAL ORDER

H. F. No. 1276: A bill for an act relating to public welfare; providing for pilot dental health programs; providing money; repealing Laws 1976, Chapter 305, Section 10.

SUSPENSION OF RULES

Mr. Tennessee 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. 1276 and that the rules of the Senate be so far suspended as to give H. F. No. 1276, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

H. F. No. 1276 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 42 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Kirchner	Olhoff	Staples
Ashbach	Engler	Laufenburger	Olson	Strand
Bang	Gearty	Lessard	Penny	Stumpf
Benedict	Gunderson	Lewis	Perpich	Ueland, A.
Bernhagen	Hughes	Luther	Schmitz	Ulland, J.
Chenoweth	Jensen	McCutcheon	Sieloff	Vega
Chmielewski	Johnson	Menning	Sikorski	
Coleman	Keefe, J.	Milton	Sillers	
Davies	Keefe, S.	Moe	Spear	

So the bill passed and its title was agreed to.

Mr. Tennessee moved that S. F. No. 433, No. 8 on Special Orders, be stricken and re-referred to the Committee on Judiciary. The motion prevailed.

SPECIAL ORDER

S. F. No. 707: A bill for an act relating to the governor's manpower office; providing for the employment and training of displaced homemakers; authorizing certain job training, counseling and placement activities; appropriating money.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 40 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Keefe, J.	Olhoft	Spear
Ashbach	Engler	Keefe, S.	Olson	Staples
Bang	Frederick	Kirchner	Perpich	Stokowski
Benedict	Garty	Laufenburger	Schmitz	Stumpf
Bernhagen	Gunderson	Lessard	Sieloff	Tennessee
Brataas	Hughes	Luther	Sikorski	Ueland, A.
Chmielewski	Jensen	McCutcheon	Sillers	Ulland, J.
Davies	Johnson	Menning	Solon	Vega

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 336: A bill for an act relating to Spanish-speaking people; creating a state board on affairs of the Spanish-speaking people; appropriating money. Referred to the Committee on Governmental Operations.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 37 and nays 3, as follows:

Those who voted in the affirmative were:

Ashbach	Garty	Laufenburger	Schmitz	Stumpf
Bang	Gunderson	Lessard	Schrom	Ueland, A.
Benedict	Hughes	Lewis	Sieloff	Ulland, J.
Bernhagen	Jensen	Luther	Sikorski	Vega
Chenoweth	Johnson	McCutcheon	Sillers	Wegener
Chmielewski	Keefe, J.	Menning	Spear	
Dieterich	Keefe, S.	Milton	Staples	
Engler	Knoll	Olson	Stokowski	

Messrs. Dunn, Kirchner and Pillsbury voted in the negative.

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 1071: A bill for an act relating to appropriations; providing funds for the programs of the Minnesota International Center.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 39 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Laufenburger	Perpich	Spear
Ashbach	Engler	Lessard	Pillsbury	Staples
Bang	Garty	Lewis	Schmitz	Stokowski
Benedict	Hughes	Luther	Schrom	Stumpf
Bernhagen	Humphrey	McCutcheon	Sieloff	Ulland, J.
Brataas	Jensen	Menning	Sikorski	Vega
Chmielewski	Kirchner	Milton	Sillers	Wegener
Dieterich	Knoll	Olhoft	Solon	

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 80: A bill for an act relating to ambulance services; reimbursing political subdivisions, non-profit hospitals or corporations for expenses of training volunteer ambulance attendants; appropriating money; amending Minnesota Statutes 1976, Chapter 144, by adding a section.

Mr. Menning moved to amend S. F. No. 80 as follows:

Page 2, line 1, after the dollar sign insert "225,000 for the biennium ending June 30, 1979"

The motion prevailed. So the amendment was adopted.

S. F. No. 80 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 38 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Luther	Schmitz	Stumpf
Bang	Hughes	Menning	Schrom	Ueland, A.
Benedict	Keefe, S.	Milton	Sieloff	Ulland, J.
Borden	Kirchner	Olhoft	Sikorski	Vega
Chmielewski	Knoll	Olson	Sillers	Wegener
Dieterich	Laufenburger	Penny	Solon	Willet
Engler	Lessard	Perpich	Spear	
Frederick	Lewis	Pillsbury	Staples	

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

Mr. Spear moved that S. F. No. 1260, No. 6 on Special Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

SPECIAL ORDER

S. F. No. 455: A bill for an act relating to education; establishing pilot American Indian language and culture education programs; granting certain powers and duties to the state board of education; establishing a state American Indian language and culture education advisory task force; appropriating money; amending Minnesota Statutes 1976, Section 120.095, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 41 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Coleman	Keefe, S.	Perpich	Stumpf
Ashbach	Dieterich	Kirchner	Peterson	Ueland, A.
Bang	Dunn	Laufenburger	Schmitz	Ulland, J.
Benedict	Engler	Lessard	Schrom	Vega
Bernhagen	Frederick	Lewis	Sieloff	Wegener
Borden	Gearty	Luther	Sikorski	
Brataas	Gunderson	McCutcheon	Sillers	
Chenoweth	Hughes	Moe	Spear	
Chmielewski	Humphrey	Olson	Stokowski	

So the bill passed and its title was agreed to.

SPECIAL ORDER

H. F. No. 1457: A bill for an act relating to state lands; authorizing the conveyance of certain lands in Aitkin county.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 40 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Coleman	Humphrey	Milton	Sikorski
Ashbach	Dieterich	Keefe, S.	Olson	Sillers
Bang	Dunn	Kirchner	Perpich	Stokowski
Benedict	Engler	Knutson	Peterson	Stumpf
Bernhagen	Frederick	Laufenburger	Pillsbury	Ueland, A.
Borden	Gerty	Lessard	Schmitz	Ulland, J.
Brataas	Gunderson	Luther	Schrom	Vega
Chmielewski	Hughes	McCutcheon	Sieloff	Wegener

So the bill passed and its title was agreed to.

SPECIAL ORDER

S. F. No. 615: A bill for an act relating to education; higher education coordinating board; authorizing the board to contract for spaces for Minnesota residents in out of state schools of osteopathy and optometry; authorizing the board to explore the feasibility of a regional school of optometry; appropriating money.

Mr. Hughes moved to amend S. F. No. 615 as follows:

Page 3, line 8, strike "in" and insert "for"

Page 3, line 9, strike "each year of"

The motion prevailed. So the amendment was adopted.

S. F. No. 615 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 40 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Keefe, S.	Milton	Sikorski
Ashbach	Engler	Kirchner	Moe	Sillers
Bang	Frederick	Knoll	Olson	Stokowski
Benedict	Gerty	Knutson	Penny	Stumpf
Bernhagen	Gunderson	Laufenburger	Peterson	Ueland, A.
Brataas	Hughes	Lessard	Pillsbury	Ulland, J.
Chmielewski	Humphrey	Luther	Schmitz	Vega
Dieterich	Jensen	Menning	Sieloff	Wegener

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

SPECIAL ORDER

H. F. No. 242: A bill for an act relating to the department of public service; providing for its proper operation; prescribing certain powers, functions and duties; making certain corrections and improvements; revising procedures for regulation of certain activities; reducing certain fees; increasing certain penalties; amending Minnesota Statutes 1976, Sections 216A.02; 216A.03, Subdivision 5; 216A.05, Subdivision 1; 216A.07; 216B.16, Subdivision 2; 216B.58; 231.16; 232.04; 232.06, Subdivision 4; 237.22; 237.29, Subdivision 1; 239.02; 239.07; 239.08; 239.10; 239.12; 239.23; 239.24; and 239.44; repealing Minnesota Statutes 1976, Sections 239.20 and 239.45; and Laws 1975, Chapter 87, Section 5.

Mr. Dieterich moved to strike the Nichols amendment to H. F. No. 242, adopted by the Senate May 19, 1977.

The roll was called, and there were yeas 28 and nays 12, as follows:

Those who voted in the affirmative were:

Anderson	Gearly	Lessard	Olson	Staples
Benedict	Humphrey	Luther	Perpich	Stumpf
Bernhagen	Johnson	McCutcheon	Schaaf	Vega
Coleman	Keefe, S.	Menning	Sieloff	Wegener
Dieterich	Kleinbaum	Merriam	Sikorski	
Engler	Knoll	Milton	Spears	

Those who voted in the negative were:

Ashbach	Gunderson	Laufenburger	Pillsbury	Ueland, A.
Brataas	Jensen	Penny	Sillers	Ulland, J.
Frederick	Knutson			

The motion prevailed. So the Nichols amendment was stricken.

Mr. Dieterich moved to amend the amendment placed on H. F. No. 242 by the Committee on Commerce, adopted by the Senate May 3, 1977, as follows:

Strike the amendments to pages 3 and 4

Strike the title amendment to page 1, line 10

The motion prevailed. So the amendment to the amendment was adopted.

H. F. No. 242 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Kleinbaum	Olson	Sillers
Bang	Frederick	Knutson	Penny	Spear
Benedict	Gearty	Laufenburger	Perpich	Staples
Bernhagen	Gunderson	Lessard	Peterson	Stokowski
Brataas	Hughes	Lewis	Pillsbury	Stumpf
Chmielewski	Jensen	Luther	Schaaf	Ueland, A.
Coleman	Johnson	Menning	Schmitz	Uland, J.
Dieterich	Keefe, S.	Merriam	Sieloff	Vega
Dunn	Kirchner	Milton	Sikorski	Wegener

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

SPECIAL ORDER

H. F. No. 1582: A bill for an act relating to public safety; clarifying the duties of the commissioner of public safety in regard to the state criminal justice telecommunications network; amending Minnesota Statutes 1976, Sections 299C.46; 299C.48; and Chapter 299C, by adding a section; repealing Minnesota Statutes 1976, Section 299C.45.

Mr. Schaaf moved to amend H. F. No. 1582, as amended pursuant to Rule 49, adopted by the Senate May 18, 1977, as follows:

Strike the Rule 49 amendment, and further amend H. F. No. 1582 as follows:

Page 2, line 5, after "*with*" insert "*detection,*"

Page 3, line 6, strike "*He shall perform all duties in respect to*"

Page 3, strike lines 7 and 8

Page 3, line 9, strike "*on crime prevention and control or its successor.*"

Page 4, line 7, after "*for*" insert "*criminal justice*"

Page 4, after line 8, insert

"Sec. 4. [TRANSFER OF FUNCTIONS.] *The commissioner of public safety shall perform all duties in respect to the state's criminal justice information system which were transferred from the commissioner of finance and the governor's commission on crime prevention and control by executive order of the governor; provided, that a transfer shall not occur if the state is informed by a federal agency that the transfer will result in the loss of federal moneys to which the state would otherwise be entitled pursuant to the Omnibus Crime Control and Safe Streets Act of 1968, Public Law 90-351, as amended by the Juvenile Justice and Delinquency Prevention Act of 1974, Public Law 93-415, and the Crime Control Act of 1976; Public Law 94-503.*"

Re number the remaining sections

The motion prevailed. So the amendment was adopted.

Mr. Schaaf then moved to amend H. F. No. 1582 as follows:

Page 4, after line 10, insert:

"Sec. 5. Minnesota Statutes 1976, Chapter 626, is amended by adding a section to read:

[626.84] [DEFINITIONS.] *For the purposes of section 5 and sections 626.841 to 626.854, the following terms shall have the meanings given them:*

(a) "Board" means the board of peace officer training and licensing;

(b) "Director" means the executive director of the board;

(c) "Peace officer" means an employee of a political subdivision or state law enforcement agency who is charged with the prevention and detection of crime and the enforcement of the general criminal laws of the state and who has the full power of arrest, and shall also include the Minnesota highway patrol and state conservation officers.

Sec. 6. Minnesota Statutes 1976, Section 626.841, is amended to read:

626.841 [ESTABLISHMENT OF BOARD; MEMBERS.] There is hereby created in the office of the attorney general the Minnesota peace officer training board, hereinafter referred to as the "board." The board of peace officer training and licensing shall be composed of the following:

(a) Two members to be appointed by the governor from among the county sheriffs in Minnesota;

(b) ~~Two~~ Three members to be appointed by the governor from among the chiefs of police of Minnesota municipalities, at least one of whom shall be a chief of police from a city of the first class;

(c) Two members to be appointed by the governor from among peace officers in Minnesota municipalities other than chiefs of police or county sheriffs;

(~~d~~) Two members to be appointed by the governor from among the county attorneys or their assistants in Minnesota, one of whom shall be from a county containing a city of the first class;

(~~e~~) The chiefs of police of each city of the first class;

(f) (~~d~~) The superintendent of the Minnesota bureau of criminal apprehension commissioner of public safety or his designee;

(~~g~~) The chief of the Minnesota highway patrol or his designee;

(~~h~~) The special agent in charge of a field office of the federal bureau of investigation in this state or his designee;

(i) The attorney general or his designee, and

(~~j~~) Two (~~e~~) Three public members to be appointed by the governor from among the general public.

Sec. 7. Minnesota Statutes 1976, Section 626.842, is amended to read:

626.842 [TERMS; MEETINGS; COMPENSATION; REMOVAL; VACANCIES.] Subdivision 1. If any incumbent sheriff, chief of police, or peace officer or county attorney so appointed ceases to be a sheriff, chief of police, or peace officer or county attorney prior to the expiration of his terms as a member of the board, the governor shall be notified by the executive director of the board that a vacancy exists or is about to exist, and the governor shall forthwith appoint some other incumbent sheriff, chief of police, or peace officer or county attorney to complete his term. Similar notification shall be made by the executive director of a vacancy existing or about to exist as to a member appointed pursuant to clause (j) (e) and the governor shall make a similar appointment.

Meetings shall be called at the request of the executive director, the attorney general, or upon the written request of a majority of the members of the board. All recommendations by the board to the attorney general shall require the affirmative vote of a majority of the members of the board.

Membership on the board shall not constitute the holding of a public office, and members of the board shall not be required to take and file oaths of office or submit a public official's bond before serving on the board.

No member of the board shall be disqualified from holding any public office or employment, by reason of his appointment to the board, nor shall he forfeit any such office or employment notwithstanding any general, special, or local restriction, or ordinance, or city charter to the contrary.

Subd. 2. The membership terms, compensation, removal of members and the filling of vacancies for members appointed pursuant to section 626.841, clauses (a), (b), (c), (d), and ~~(j)~~ (e) on the board; the provision of staff, administrative services and office space; the review and processing of complaints; the renewal of licenses; the setting of fees; and other matters relating to board operations shall be as provided in section 15.0575 chapter 214.

Sec 8. Minnesota Statutes 1976, Section 626.843, Subdivision 1, is amended to read:

626.843 [RULES AND REGULATIONS, RECOMMENDATIONS; EXECUTIVE DIRECTOR.] Subdivision 1. The Minnesota peace officer training board may recommend to the attorney general shall adopt rules and regulations with respect to:

(a) The approval or disapproval thereof, of peace officer training schools or courses including training schools for the Minnesota highway patrol. Such schools shall include schools administered by the state, county, school district, municipality, or joint or contractual combinations thereof; and such courses shall include police training courses taught at vocational schools and trade schools;

(b) Minimum courses of study, attendance requirements, and equipment and facilities to be required at each approved peace officers training school located within the state;

(c) Minimum qualifications for instructors at approved peace officer training schools located within this state;

(d) Minimum standards of physical, mental and educational fitness which shall govern the recruitment and licensing of non-elective peace officers within the state, by any state, county, municipality, or joint or contractual combination thereof, including members of the Minnesota highway patrol;

(e) Minimum standards of conduct which would affect the performance of the individual in his duties as a peace officer;

(f) Minimum basic training which peace officers appointed to temporary or probationary terms shall complete before being eligible for permanent appointment, and the time within which such basic training must be completed following any such appointment to a temporary or probationary term;

(g) Minimum basic training which peace officers not appointed for temporary or probationary terms but appointed on other than a permanent basis shall complete in order to be eligible for continued employment or permanent employment, and the time within which such basic training must be completed following such appointment on a nonpermanent basis;

(h) Categories or classifications of advanced Minimum in service training programs and minimum courses of study and attendance requirements with respect to such categories and classifications continuing education courses and other requirements for the renewal of licenses of peace officers;

(i) Grading, reporting, attendance and other records, and certificates of attendance or accomplishment; and

(j) Such other matters as may be necessary consistent with sections 626.841 to 626.854, and section 5. Rules promulgated by the attorney general with respect to these matters may be continued in force by resolution of the board if the board finds the rules to be consistent with sections 626.841 to 626.854, and section 5.

Sec. 9. Minnesota Statutes 1976, Section 626.845, is amended to read:

626.845 [EXECUTIVE DIRECTOR.] The executive director, on behalf of the board, shall have the following powers and duties, to be exercised with the approval of the board and to be executed only in full accordance with rules and regulations promulgated by the attorney general pursuant to section 626.844; board:

(a) To approve peace officers' training schools administered by state, county and municipalities located within this state;

(b) To issue certificates of approval to such approved schools, and to revoke such certification of approval when necessary to maintain the objectives and purposes of sections 626.841 to 626.854;

(c) To certify, as qualified, instructors at approved peace officer

training schools, and to issue appropriate certificates to such instructors;

(d) To certify *issue licenses and renewals of licenses to peace officers who have satisfactorily completed basic training programs, and to issue appropriate certificates to such peace officers and passed examinations as required by the board;*

(e) To cause studies and surveys to be made relating to the establishment, operation, and approval of state, county, and municipal peace officer training schools;

(f) To consult and cooperate with state, county, and municipal peace officer training schools for the development of advanced in-service training programs for peace officers;

(g) To consult and cooperate with universities and colleges for the development of specialized courses of instruction and study in the state for peace officers in police science and police administration;

(h) To consult and cooperate with other departments and agencies of the state and federal government concerned with peace officer training;

(i) To perform such other acts as may be necessary and appropriate to carry out his powers and duties as set forth in the provisions of sections 626.841 to 626.854;

(j) To report to the board, from time to time, at the regular meetings of the board and at such other times as may be required by the board.

Sec. 10. Minnesota Statutes 1976, Section 626.846, Subdivision 1, is amended to read:

626.846 [ATTENDANCE, FORFEITURE OF POSITION.]
Subdivision 1. Notwithstanding any general or local law or charter to the contrary, any *no* peace officer employed or elected on or after July 1, 1967 July 1, 1978, by any state or regional agency, county, town, municipality or joint or contractual combination thereof of the state of Minnesota with a population of more than 1,000 according to the last federal census shall attend a peace officers training course within 12 months of his appointment, except as provided in section 626.853. *be eligible for permanent appointment without being licensed by the board pursuant to rules promulgated under section 626.843.*

Sec. 11. Minnesota Statutes 1976, Section 626.846, is amended by adding subdivisions to read:

Subd. 3. No peace officer required to be licensed under this section shall be eligible for continued employment without having his license renewed pursuant to rules promulgated pursuant to section 626.843.

Subd. 4. A peace officer who has received a permanent appointment prior to July 1, 1978, shall be licensed by the board if the officer has met the requirements of sections 626.841 to 626.854,

in effect on June 30, 1977, and if the officer has requested licensing by the board. Peace officers receiving a license under this subdivision shall have their license renewed in the same manner as required of other licensed peace officers. An elected or appointed town constable who takes office on or after July 1, 1978, shall be licensed by the board in respect to his term of office as if he has met the pre-service and licensing requirements of the board, but he must satisfy renewal requirements of the board during his term of elected office.

Subd. 5. After July 1, 1978, no state or regional agency, county, town, municipality or joint or contractual combination thereof may employ a person as a peace officer who has not satisfactorily completed a course of pre-service training as required by the board by rule.

Sec. 12. Minnesota Statutes 1976, Section 626.848, is amended to read:

626.848 [TRAINING COURSES, LOCATIONS.] *Subject to board rules, the superintendent of the bureau of criminal apprehension shall provide courses at convenient locations in the state, for training peace officers in their powers and duties, and in the use of approved equipment and the latest technique for detection, identification and apprehension of criminals. For this purpose, the superintendent may use the services and employees of the bureau.*

Sec. 13. Minnesota Statutes 1976, Section 626.85, Subdivision 1, is amended to read:

626.85 [INSTRUCTORS; DONATIONS, CONTRIBUTIONS.] Subdivision 1. In addition to the bureau employees assigned to police training, full time or part time, the superintendent is authorized to engage such part time instructors as he deems proper and necessary to furnish the best possible instruction in police sciences, subject to board rules and to the limitation of funds as appropriated and available for expenditure. Sections 43.09 to 43.17 shall not apply to such part time employees.

Sec. 14. Minnesota Statutes 1976, Section 626.851, Subdivision 2, is amended to read:

Subd. 2. Any student successfully completing 1000 hours of law enforcement instruction in a post secondary educational law enforcement program which is approved by the Minnesota state department of education or an accredited institution of higher learning shall be eligible, upon compliance with the requirements prescribed by rules of the attorney general for the Minnesota peace officer training board, to receive the minimum basic police training as established under section 626.843 conducted by the Minnesota bureau of criminal apprehension in facilities provided by the institute. Upon satisfactory completion of the training course conducted by the bureau the certificate shall be awarded to the individual.

Sec. 15. Minnesota Statutes 1976, Section 626.854, is amended to read:

626.854 [COOPERATION WITH FEDERAL GOVERNMENT.] The Minnesota peace officers training board shall have the further power and authority to cooperate with, receive financial assistance from and join in projects or enter into contracts with the federal government or its agencies for the furtherance of peace officer training within the state.

Sec. 16. Minnesota Statutes 1976, Section 214.01, Subdivision 3, is amended to read:

Subd. 3. "Non-health related licensing board" means the board of teaching established pursuant to section 125.183, the board of barber examiners established pursuant to section 154.22, the board of cosmetology examiners established pursuant to section 155.04, the board of assessors established pursuant to section 270.41, the board of architecture, engineering and land surveying established pursuant to section 326.04, the board of accountancy established pursuant to section 326.17, the board of electricity established pursuant to section 326.241, the private detective and protective agent licensing board established pursuant to section 326.541, the board of boxing established pursuant to section 326.33, the board of examiners in watchmaking established pursuant to section 326.541, the board of boxing established pursuant to section 341.02 and the board of abstractors established pursuant to section 386.63, and the peace officer training and licensing board established pursuant to section 626.841.

Sec. 17. Minnesota Statutes 1976, Sections 626.843, Subdivision 4; 626.844; 626.846, Subdivision 2; 626.847, and 626.853 are repealed."

Renumber the sections in sequence

Amend the title as follows:

Line 5, after the semicolon, insert "providing for training and licensing of all peace officers in the state; renaming the peace officer training board; giving the board additional responsibilities;"

Line 6, strike "and" and insert "214.01, Subdivision 3; 626.841; 626.842; 626.843, Subdivision 1; 626.845; 626.846, Subdivision 1 and by adding subdivisions; 626.848; 626.85, Subdivision 1; 626.851, Subdivision 2; 626.854;"

Line 7, after the semicolon insert "Chapter 626, by adding a section;"

Line 8, strike "Section" and insert "Sections"

Line 8, before the period, insert "; 626.843, Subdivision 4; 626.844; 626.846, Subdivision 2; 626.847; and 626.853"

The motion prevailed. So the amendment was adopted.

H. F. No. 1582 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 37 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lessard	Perpich	Staples
Bang	Hughes	Lewis	Peterson	Stokowski
Benedict	Humphrey	Luther	Schaaf	Stumpf
Bernhagen	Johnson	McCutcheon	Schmitz	Ulland, J.
Brataas	Keefe, S.	Merriam	Sieloff	Vega
Dieterich	Kleinbaum	Milton	Sikorski	
Engler	Knoll	Olhoff	Sillers	
Gearty	Laufenburger	Olson	Spear	

Messrs. Chmielewski, Frederick and Jensen voted in the negative.

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

SPECIAL ORDER

H. F. No. 723: A bill for an act relating to economic development; providing grants to community development corporations; setting out criteria for making such grants; amending Minnesota Statutes 1976, Chapter 362, by adding a section.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Keefe, S.	McCutcheon	Solon
Ashbach	Engler	Kirchner	Olhoff	Spear
Bang	Frederick	Kleinbaum	Perpich	Staples
Benedict	Gearty	Knoll	Peterson	Stokowski
Bernhagen	Gunderson	Knutson	Pillsbury	Stumpf
Borden	Hughes	Laufenburger	Schmitz	Ueland, A.
Brataas	Humphrey	Lessard	Sieloff	Ulland, J.
Chmielewski	Jensen	Lewis	Sikorski	Vega
Dieterich	Johnson	Luther	Sillers	Wegener

So the bill passed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Messages From the House.

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 five members of the House, on the amendments adopted by the House to the following Senate File:

S. F. No. 73: A bill for an act relating to weather modification; prohibiting the use of cloud seeding apparatus located on the ground; prescribing a penalty.

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

Stanton; Mann; Anderson, G.; Erickson and Suss.

Senate File No. 73 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 20, 1977

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1051:

H. F. No. 1051: A bill for an act relating to public welfare; aid to families with dependent children, medical assistance, and supplemental aid; altering eligibility criteria; appropriating money; amending Minnesota Statutes 1976, Sections 256.73, Subdivision 2; 256B.06, Subdivision 1; 256B.14; and 256D.37, Subdivision 2.

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

Berglin, Samuelson and Rice have been appointed as such committee on the part of the House.

House File No. 1051 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 May 20, 1977

Mr. Keefe, S. moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1051, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 613:

H. F. No. 613: A bill for an act relating to the operation of state government; establishing an office of volunteer services within the office of the governor; coordinating volunteer programs throughout the state; appropriating money.

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

Clark, McCarron and Samuelson have been appointed as such committee on the part of the House.

House File No. 613 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 May 20, 1977

Mr. Hughes moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 613, and that a Conference Committee of 3 members be appointed by the Subcommittee 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 accedes to the request of the Senate for the return of House File No. 585 for further consideration.

H. F. No. 585: A bill for an act relating to taxation; altering definitions of "income" for senior citizen's property tax freeze purposes; "taxes", "alimony" and "investment company" for income tax purposes; allowing commissioner of revenue to disregard small amounts due or penalties and to require withholding of delinquent taxes by employees; providing for tax lien on personal property; amending Minnesota Statutes 1976, Sections 273.012, Subdivision 3; 290.06, Subdivision 2c; 290.09, Subdivisions 4 and 14; 290.21, Subdivision 3; 290.36; 290.54; 290.92, by adding a subdivision; 290.934, Subdivision 5; and 290A.06.

House File No. 585 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1977

RECONSIDERATION

Mr. Olhofft moved that the vote whereby H. F. No. 585 was passed by the Senate on May 17, 1977, be now reconsidered. The motion prevailed. So the vote was reconsidered.

Mr. Dieterich moved to amend H. F. No. 585 as follows:

Strike the Dieterich amendment to H. F. No. 585, adopted by the Senate May 16, 1977, and amend H. F. No. 585 as follows:

Page 11, line 4, after the period, insert "*The effect of the notice shall expire 90 days after it has been mailed to the taxpayer provided that the notice may be renewed by mailing a new notice which is in accordance with this subdivision. The renewed notice shall have the effect of reinstating the priority of the original claim.*"

The motion prevailed. So the amendment was adopted.

H. F. No. 585: A bill for an act relating to taxation; altering definitions of "income" for senior citizen's property tax freeze purposes; "taxes", "alimony" and "investment company" for income tax purposes; allowing commissioner of revenue to disregard small amounts due or penalties and to require withholding of delinquent taxes by employees; providing for tax lien on personal property; amending Minnesota Statutes 1976, Sections 273.012, Subdivision 3; 290.06, Subdivision 2c; 290.09, Subdivi-

sions 4 and 14; 290.21, Subdivision 3; 290.36; 290.54; 290.92, by adding a subdivision; 290.934, Subdivision 5; and 290A.06.

H. F. No. 535 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Penny	Staples
Ashbach	Gearty	Lessard	Perpich	Stokowski
Bang	Gunderson	Lewis	Pillsbury	Stumpf
Benedict	Hughes	Luther	Purfeerst	Ueland, A.
Bernhagen	Humphrey	McCutcheon	Schaaf	Ulland, J.
Borden	Jensen	Menning	Schmitz	Wegener
Brataas	Keefe, S.	Milton	Schrom	Willet
Chmielewski	Kirchner	Moe	Sieloff	
Dieterich	Kleinbaum	Ogdahl	Sikorski	
Dunn	Knoll	Olhoft	Sillers	
Engler	Knutson	Olson	Spear	

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. 120: A bill for an act relating to education; establishing pilot transitional bilingual education programs; granting certain powers and duties to the state board of education; establishing a state bilingual education advisory task force; appropriating money; amending Minnesota Statutes 1976, Sections 120.095, by adding a subdivision; 120.10, Subdivision 2; and 126.07.

Senate File No. 120 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 19, 1977

CONCURRENCE AND REPASSAGE

Mr. McCutcheon moved that the Senate concur in the amendments by the House to S. F. No. 120 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 120 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Olhoft	Sikorski
Ashbach	Frederick	Laufenburger	Olson	Sillers
Bang	Gearty	Lessard	Penny	Spear
Benedict	Gunderson	Lewis	Perpich	Staples
Bernhagen	Hughes	Luther	Pillsbury	Stokowski
Borden	Humphrey	McCutcheon	Purfeerst	Stumpf
Brataas	Johnson	Menning	Schaaf	Ueland, A.
Chmielewski	Kirchner	Milton	Schmitz	Ulland, J.
Coleman	Kleinbaum	Moe	Schrom	Vega
Dieterich	Knoll	Ogdahl	Sieloff	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. 1334: A bill for an act relating to public welfare; providing for payment of the costs of certain care and treatment for mentally retarded, epileptic and emotionally handicapped children; requiring the parents and child to provide reimbursement for certain care and treatment; amending Minnesota Statutes 1976, Sections 246.51; and 252.27, Subdivisions 1 and 2.

Senate File No. 1334 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1977

CONCURRENCE AND REPASSAGE

Mr. Perpich moved that the Senate concur in the amendments by the House to S. F. No. 1334 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 1334 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 47 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olson	Spear
Ashbach	Gearty	Laufenburger	Penny	Staples
Bang	Gunderson	Lessard	Perpich	Stokowski
Benedict	Hughes	Lewis	Pillsbury	Stumpf
Bernhagen	Humphrey	Luther	Schaaf	Ueland, A.
Brataas	Jensen	McCutcheon	Schmitz	Ulland, J.
Chmielewski	Johnson	Menning	Schrom	Wegener
Coleman	Kirchner	Milton	Sieloff	
Dieterich	Kleinbaum	Moe	Sikorski	
Engler	Knoll	Olhoft	Sillers	

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 adopted the recommendation and report of the Conference Committee on House File No. 586 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 586: A bill for an act relating to taxation; information contained in income tax returns; amending Minnesota Statutes 1976, Sections 290.081; and 290.61.

House File No. 586 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 19, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 586

A bill for an act relating to taxation; information contained in income tax returns; amending Minnesota Statutes 1976, Sections 290.081; and 290.61.

May 17, 1977

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

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 586 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 586 be amended as follows:

Page 4, line 12, delete "*The commissioner shall first*" and insert "*Prior to the release of any information under the provisions of this section, the person to whom the information is to be released shall sign an agreement which provides that he will protect the confidentiality of the returns and information revealed thereby to the extent that it is protected under the laws of the state of Minnesota.*"

Page 4, delete lines 13, 14 and 15

Page 5, line 2, after "therein" insert a new period and strike "and if the"

Page 5, line 5, delete the underlined language and insert "*Prior to the release of any information to any official of the United States or any other state, under the provisions of this section, the person to whom the information is to be released shall sign an agreement which provides that he will protect the confidentiality of the returns and information revealed thereby to the*

extent that it is protected under the laws of the state of Minnesota."

Page 5, delete line 6

Page 5, line 7, delete the new language and strike "provided by our laws."

Page 5, line 18, delete "*Upon request of a state official,*" and insert "*Upon the request of a majority of the members of the house tax committee or the senate tax committee, or the request of a majority of the members of the tax study commission,*"

Page 5, line 19, delete "may" and insert "shall"

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

House Conferees: (Signed) William Kelly, Wesley Skoglund, Henry Savelkoul

Senate Conferees: (Signed) Bill McCutcheon, John Bernhagen

Mr. McCutcheon moved that the foregoing recommendations and Conference Committee Report on H. F. No. 586 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Mr. Sieloff moved that the recommendations and Conference Committee Report on H. F. No. 586 be rejected, the Conference Committee be discharged, and that a new Conference Committee be appointed by the Subcommittee on Committees to act with a like Conference Committee appointed on the part of the House.

The question was taken on the adoption of the Sieloff motion.

The roll was called, and there were yeas 36 and nays 9, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Schaaf	Stumpf
Ashbach	Gunderson	Lessard	Schmitz	Tennessee
Bang	Humphrey	Luther	Sieloff	Ueland, A.
Benedict	Keefe, J.	Menning	Sikorski	Ulland, J.
Chmielewski	Kirchner	Merriam	Sillers	
Davies	Kleinbaum	Milton	Spear	
Dunn	Knoll	Pillsbury	Staples	
Engler	Knutson	Purfeerst	Stokowski	

Those who voted in the negative were:

Bernhagen	McCutcheon	Perpich	Solon	Wegener
Johnson	Olhoft	Peterson	Vega	

The motion prevailed.

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. 801 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 801: A bill for an act relating to crimes; specifying certain acts which constitute theft in relation to cable television services and systems; providing penalties; amending Minnesota Statutes 1976, Section 609.52, Subdivision 2; and Chapter 609, by adding a section.

House File No. 801 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 19, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 801

A bill for an act relating to crimes; specifying certain acts which constitute theft in relation to cable television services and systems; providing penalties; amending Minnesota Statutes 1976, Section 609.52, Subdivision 2; and Chapter 609, by adding a section.

May 17, 1977

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

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 801, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that the bill be further amended as follows:

Page 5, delete lines 4 to 28 and insert:

"(12) Intentionally deprives another of a lawful charge for cable television service by

(i) making or using or attempting to make or use an unauthorized external connection outside the individual dwelling unit whether physical, electrical, acoustical, inductive or other connection, or by

(ii) attaching any unauthorized device to any cable, wire, microwave, or other component of a licensed cable communications system as defined in chapter 238. Nothing herein shall be construed to prohibit the electronic video re-recording of program material transmitted on the cable communications system by a subscriber for fair use as defined by Public Law 94-553, Section 107.

Sec. 2. Minnesota Statutes 1976, Chapter 609, is amended by adding a section to read:

[609.80] [INTERFERING WITH CABLE COMMUNICATIONS SYSTEMS.] *Whoever does any of the following is guilty of a misdemeanor:*

(1) intentionally and with the purpose of making or aiding in an unauthorized connection as defined in Minnesota Statutes, Section 609.52, Subdivision 2, Clause (12) to a licensed cable communications system as defined in chapter 238 sells, rents, lends, offers or advertises for sale, rental or use, any instrument, apparatus, equipment, device or plan, specification or instruction for making an unauthorized connection; or

(2) intentionally tampers with, removes or injures any cable, wire, or other component of a licensed cable communications system as defined in chapter 238; or

(3) intentionally and without claim of right interrupts a service of a licensed cable communications system as defined in chapter 238.

Sec. 3. Minnesota Statutes 1976, Section 238.09, Subdivision 1, is amended to read:

238.09 [CERTIFICATE OF CONFIRMATION.] Subdivision 1. Except as provided in subdivisions 4 and 5 and 10, after May 24, 1973, no person shall exercise a franchise, and no such franchise shall be effective, until the board has confirmed such franchise.

Sec. 4. Minnesota Statutes 1976, Section 238.09, is amended by adding a subdivision to read:

Subd. 10. Any cable communications company which, pursuant to an existing franchise was lawfully engaged in actual operations and which was providing extension of service to an area or areas outside of its franchise boundaries on May 1, 1977 may, notwithstanding any other law to the contrary, continue to provide such extension of service until May 1, 1978 or such time as the commission adopts line extension rules, whichever date is earlier.

Further, amend the title as follows:

Page 1, line 5, delete "Section" and insert "Sections 238.09, Subdivision 1, and by adding a subdivision;"

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

House Conferees: (Signed) Richard Cohen, William Dean and James Pehler.

Senate Conferees: (Signed) Eugene E. Stokowski, Jack I. Kleinbaum and William G. Kirchner.

Mr. Stokowski moved that the foregoing recommendations and Conference Committee Report on H. F. No. 801 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. 801: A bill for an act relating to crimes; specifying certain acts which constitute theft in relation to cable television services and systems; providing penalties; amending Minnesota Statutes 1976, Sections 238.09, Subdivision 1, and by adding a subdivision; 609.52, Subdivision 2; and Chapter 609, by adding a section.

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

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

The roll was called, and there were yeas 44 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Knoll	Peterson	Spear
Ashbach	Gunderson	Knutson	Pillsbury	Staples
Bang	Hughes	Lessard	Purfeerst	Stokowski
Benedict	Humphrey	Luther	Schaaf	Stumpf
Bernhagen	Jensen	McCutcheon	Schmitz	Ueland, A.
Chmielewski	Johnson	Menning	Sieloff	Ulland, J.
Dieterich	Keefe, S.	Milton	Sikorski	Vega
Dunn	Kirchner	Olhoft	Sillers	Wegener
Engler	Kleinbaum	Perpich	Solon	

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

Pursuant to Rule 21, Mr. Anderson moved that the following members be excused for a Conference Committee on H. F. No. 522:

Messrs. Anderson, Bernhagen and Mrs. Staples. The motion prevailed.

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 45 a Special Order to be heard immediately.

H. F. No. 45: A bill for an act relating to environmental protection; prohibiting retail sale of milk in nonreturnable, nonrefillable plastic containers; prescribing penalties.

Mr. Luther moved to strike the amendment placed on H. F. No. 45 by the Committee on Agriculture and Natural Resources, adopted by the Senate May 2, 1977.

The question was taken on the adoption of the motion.

The roll was called, and there were yeas 38 and nays 19, as follows:

Those who voted in the affirmative were:

Benedict	Humphrey	McCutcheon	Schaaf	Strand
Borden	Johnson	Menning	Setzepfandt	Stumpf
Chmielewski	Keefe, S.	Milton	Sieloff	Ulland, J.
Coleman	Kleinbaum	Moe	Sikorski	Vega
Dieterich	Knoll	Nelson	Sillers	Wegener
Gearty	Lessard	Olhoft	Solon	Willet
Hanson	Lewis	Olson	Spear	
Hughes	Luther	Perpich	Stokowski	

Those who voted in the negative were:

Ashbach	Engler	Knutson	Penny	Schmitz
Bang	Gunderson	Laufenburger	Peterson	Schrom
Brataas	Jensen	Nichols	Pillsbury	Ueland, A.
Dunn	Kirchner	Ogdahl	Renneke	

The motion prevailed. So the amendment was stricken.

H. F. No. 45 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

Mr. Schrom moved that those not voting be excused from voting. The motion did not prevail.

The roll was called, and there were yeas 40 and nays 23, as follows:

Those who voted in the affirmative were:

Anderson	Johnson	McCutcheon	Perpich	Staples
Benedict	Keefe, J.	Milton	Peterson	Stokowski
Borden	Keefe, S.	Moe	Sehaaf	Strand
Coleman	Kleinbaum	Nelson	Setzepfandt	Stumpf
Dieterich	Knoll	Ogdahl	Sieloff	Ulland, J.
Hanson	Lessard	Olhoff	Sikorski	Vega
Hughes	Lewis	Olson	Solon	Wegener
Humphrey	Luther	Penny	Spear	Willet

Those who voted in the negative were:

Ashbach	Dunn	Jensen	Nichols	Schrom
Bang	Engler	Kirchner	Pillsbury	Sillers
Bernhagen	Frederick	Knutson	Purfeerst	Ueland, A.
Brataas	Gearty	Laufenburger	Renneke	
Chmielewski	Gunderson	Menning	Schmitz	

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Olson moved that S. F. No. 774 be recalled from the Governor for further consideration. The motion prevailed.

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.

APPOINTMENTS

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

H. F. No. 1051, pursuant to the request of the House:

Messrs. Keefe, S.; Moe and Coleman.

H. F. No. 613, pursuant to the request of the House:

Mr. Hughes, and Mmes. Staples and Brataas.

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

Pursuant to Rule 21, Mr. Merriam moved that the following members be excused for a Conference Committee on S. F. No. 896 at 8:00 p.m.:

Messrs. Merriam, Dunn, Anderson, Luther and Olhoft. The motion prevailed.

RECESS

Mr. Coleman moved that the Senate do now recess until 9:00 o'clock p.m. The motion prevailed.

The hour of 9:00 o'clock p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

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

Bang	Hanson	Nelson	Schmitz	Stumpf
Benedict	Johnson	Nichols	Setzepfandt	Tennessen
Chmielewski	Keefe, S.	Ogdahl	Sikorski	Ulland, J.
Coleman	Kirchner	Penny	Sillers	Vega
Davies	Kleinbaum	Perpich	Spear	Wegener
Dieterich	Knoll	Peterson	Staples	
Gearty	Laufenburger	Pillsbury	Stokowski	
Gunderson	Menning	Purfeerst	Strand	

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

Without objection, the Senate reverted to the Order of Business of Executive and Official Communications and Messages From the House and First Reading of House Bills.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 20, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

Pursuant to the request of the Senate, I am returning herewith S. F. No. 774.

Sincerely,
Rudy Perpich, Governor

Mr. Coleman moved that S. F. No. 774 be laid on the table. The motion prevailed.

MESSAGES FROM THE HOUSE

Mr. President:

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

H. F. No. 447.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 19, 1977

FIRST READING OF HOUSE BILLS

The following bill was read the first time:

H. F. No. 447: A bill for an act relating to natural resources; directing the commissioner of natural resources to provide an alternative road access to General C. C. Andrews State Forest; appropriating money therefor.

SUSPENSION OF RULES

Mr. Chmielewski 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. 447 and that the rules of the Senate be so far suspended as to give H. F. No. 447 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 447 was read the second time.

Mr. Chmielewski moved to amend H. F. No. 447 as follows:

Page 2, after line 7, insert:

"Sec. 2. [NURSING HOME REVENUE BONDS.] Subdivision 1. [AUTHORIZATION.] The board of commissioners of Chisago county may by resolution sell and issue revenue bonds of the county in the amount of \$1,500,000 to finance the acquisition and betterment of additional facilities for the county nursing home, comprising apartment units.

Subd. 2. [ADMINISTRATION AND RENTAL OF APARTMENT UNITS.] The apartment units shall be constructed in close proximity to existing county nursing home facilities, and administered together with the existing facilities as part of an overall program for the care of aged and infirm persons. The board of commissioners may rent the apartment units to persons applying for entrance to the county nursing home, or to other elderly persons of low and moderate income who may require use of nursing home facilities, on the terms and conditions the board deems advisable.

Subd. 3. [ELIGIBILITY.] The county may by ordinance adopt

regulations establishing age, health and income eligibility requirements for the rental of the apartment units. The regulations may provide different rental terms and conditions for persons of different ages, health conditions and incomes.

Subd. 4. [BOND SECURITY; REFERENDUM PETITION.] The bonds shall be issued and secured in accordance with the provisions of Minnesota Statutes, Chapter 475, relating to obligations payable wholly from the income of revenue producing public conveniences. The board of commissioners may pledge and appropriate the revenues to be derived from operation of the nursing home facilities to pay the principal and interest on the bonds when due and to create and maintain reserves for that purpose, as a first and prior lien on all such revenues or, if so provided in the bond resolution, as a lien thereon subordinate to the current payment of a fixed amount or percentage or all of the annual costs of the operation, administration, and maintenance of the facilities. Revenue bonds shall not be included in the district's net debt for the purpose of any limitation. In the issuance of such bonds the revenues or lease rentals from any or all facilities may be pledged and appropriated by resolution for the use and benefit of the bondholders, or may be pledged by the execution of an indenture or other appropriate instrument to a trustee for the bondholders. The county board shall have power to make and enter into any and all covenants with the bondholders or trustee which are determined by it to be necessary or proper to assure the marketability of the bonds, the completion of the facilities, the segregation of the revenues or rentals and any other funds pledged, and the sufficiency thereof for the prompt and full payment of all bonds and interest.

Sec. 3. Section 2 is effective upon approval by a majority of the board of commissioners of Chisago county, and upon compliance with Minnesota Statutes, Section 645.021."

Amend the title as follows:

Line 2, after "resources" insert "and to Chisago county"

Line 5, before the period, insert "; authorizing Chisago county to issue revenue bonds to finance the cost of facilities for the county nursing home; providing for the administration and rental of the facilities."

The motion prevailed. So the amendment was adopted.

H. F. No. 447 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 44 and nays 4, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Laufenburger	Perpich	Spear
Benedict	Gunderson	Lessard	Peterson	Staples
Brataas	Hanson	Lewis	Purfeerst	Stokowski
Chmielewski	Hughes	Menning	Renneke	Strand
Coleman	Johnson	Milton	Schmitz	Stumpf
Davies	Keefe, S.	Moe	Schrom	Tennessee
Dieterich	Kirchner	Nelson	Setzepfandt	Ulland, J.
Engler	Kleinbaum	Nichols	Sieloff	Wegener
Frederick	Knutson	Penny	Sikorski	

Messrs. Bang, Ogdahl, Pillsbury and Sillers voted in the negative.

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

Without objection, the Senate reverted to the Order of Business of Messages from the House and First Reading of House Bills.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1631:

H. F. No. 1631: A bill for an act relating to public improvements; providing for prison and education facilities; regulating the location of certain education facilities; barrier free buildings; authorizing state building bonds; appropriating money.

And the House respectfully requests that a Conference Committee of five members be appointed thereon.

Dahl, Dean, McCarron, Arlandson and Welch have been appointed as such committee on the part of the House.

House File No. 1631 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 May 20, 1977

Mr. Moe moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1631, and that a Conference Committee of 5 members be appointed by the Subcommittee 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. 690: A bill for an act appropriating money for educational television facilities in northern Minnesota.

Senate File No. 690 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 19, 1977

CONCURRENCE AND REPASSAGE

Mr. Hanson moved that the Senate concur in the amendments by the House to S. F. No. 690 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 690 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lessard	Purfeerst	Staples
Bang	Gunderson	McCutcheon	Renneke	Stokowski
Benedict	Hanson	Menning	Schaaf	Strand
Brataas	Hughes	Moe	Schmitz	Stumpf
Chmielewski	Johnson	Nelson	Schrom	Tennessee
Coleman	Keefe, J.	Nichols	Setzepfandt	Ulland, J.
Davies	Kirchner	Ogdahl	Sieloff	Vega
Dieterich	Kleinbaum	Penny	Sikorski	Wegener
Engler	Knutson	Peterson	Sillers	
Frederick	Laufenburger	Pillsbury	Spear	

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 File, herewith transmitted:

H. F. No. 26.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 19, 1977

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H. F. No. 26: A bill for an act relating to labor; granting public employees paid leaves of absence to engage in world athletic competition.

Mr. Schaaf moved that H. F. No. 26 be laid on the table. The motion prevailed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Milton moved that S. F. No. 899 be taken from the table. The motion prevailed.

CONCURRENCE AND REPASSAGE

Mr. Milton moved that the Senate concur in the amendments by the House to S. F. No. 899 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 899 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Lewis	Perpich	Spear
Bang	Hanson	Luther	Peterson	Staples
Benedict	Jensen	McCutcheon	Pillsbury	Stokowski
Bernhagen	Johnson	Menning	Purfeerst	Strand
Brataas	Keefe, J.	Milton	Renneke	Stumpf
Chmielewski	Keefe, S.	Moe	Schaaf	Tennessee
Coleman	Kirchner	Nelson	Schmitz	Ulland, J.
Davies	Kleinbaum	Nichols	Setzepfandt	Vega
Dieterich	Knutson	Ogdahl	Sieloff	Wegener
Engler	Laufenburger	Olson	Sikoraki	
Gearty	Lessard	Penny	Sillers	

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that H. F. No. 83 be taken from the table and given its second reading. The motion prevailed.

H. F. No. 83 was read the second time.

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

Mr. Coleman moved that H. F. No. 83 be laid on the table. The motion prevailed.

Without objection, the Senate reverted to the Order of Business of Messages From the House.

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. 1395: A bill for an act relating to education; public television and radio; altering the calculation of matching funds required by public stations; appropriating money; amending Minnesota Statutes 1976, Section 139.18, Subdivisions 1 and 2.

Senate File No. 1395 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1977

Mr. Solon moved that the Senate do not concur in the amendments by the House to S. F. No. 1395 and that a Conference Committee of 3 members be appointed by the Subcommittee 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.

APPOINTMENTS

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

H. F. No. 1631, pursuant to the request of the House:

Messrs. Moe, Lewis, Spear, Solon and Pillsbury.

S. F. No. 1395, pursuant to the request of the Senate:

Messrs. Solon, Humphrey and Mrs. Brataas.

H. F. No. 315, pursuant to the request of the House:

Messrs. Vega, Knutson and Purfeerst.

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Schaaf moved that H. F. No. 26 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mr. Schaaf 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. 26 and that the rules of the Senate be so far suspended as to give H. F. No. 26 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 26 was read the second time.

H. F. No. 26: A bill for an act relating to labor; granting public employees paid leaves of absence to engage in world athletic competition.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 35 and nays 11, as follows:

Those who voted in the affirmative were:

Ashbach	Hanson	Laufenburger	Peterson	Staples
Benedict	Johnson	Lessard	Purfeerst	Stokowaki
Bernhagen	Keefe, S.	Luther	Renneke	Strand
Brataas	Kirchner	McCutcheon	Schaaf	Tennessee
Davies	Kleinbaum	Olhoff	Schmitz	Ulland, J.
Engler	Knoll	Penny	Setzepfandt	Vega
Gearty	Knutson	Perpich	Sikorski	Wegener

Those who voted in the negative were:

Coleman	Hughes	Menning	Olson	Sillers
Dieterich	Jensen	Merriam	Sieloff	Stumpf
Gunderson				

So the bill passed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Messages From the House and First Reading of House Bills.

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. 15, 267, 356 and 420.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 19, 1977

FIRST READING OF HOUSE BILLS

The following bill was read the first time.

H. F. No. 15: A bill for an act relating to parks; appropriating money for the development of recreation facilities for the handicapped at Islands of Peace park.

SUSPENSION OF RULES

Mr. Schaaf 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. 15 and that the rules of the Senate be so far suspended as to give H. F. No. 15 its second and third reading and place it on its final passage. The motion prevailed.

H. F. No. 15 was read the second time.

H. F. No. 15: A bill for an act relating to parks; appropriating money for the development of recreation facilities for the handicapped at Islands of Peace park.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 42 and nays 2, as follows:

Those who voted in the affirmative were:

Bang	Gunderson	Laufenburger	Perpich	Stokowski
Benedict	Hanson	Lessard	Peterson	Strand
Bernhagen	Hughes	Luther	Schaaf	Stumpf
Chmielewski	Johnson	McCutcheon	Schrom	Tennessee
Davies	Keefe, S.	Menning	Setzepfandt	Ulland, J.
Dieterich	Kirchner	Milton	Sieloff	Vega
Engler	Kleinbaum	Nelson	Sikoraki	
Frederick	Knoll	Olson	Sillers	
Gearty	Knutson	Penny	Staples	

Messrs. Purfeerst and Renneke voted in the negative.

So the bill passed and its title was agreed to.

FIRST READING OF HOUSE BILLS—CONTINUED

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

H. F. No. 267: A bill for an act relating to negligence; proscribing certain liability of good samaritans; amending Minnesota Statutes 1976, Section 604.05.

Referred to the Committee on Judiciary.

H. F. No. 356: A bill for an act relating to insurance; examination fees; abstract or summary of the annual statement; amending Minnesota Statutes 1976, Sections 60A.03, Subdivision 5; 60A.13, Subdivision 3; and 60A.14, Subdivision 1.

Referred to the Committee on Commerce.

H. F. No. 420: A bill for an act relating to education; Montessori schools; excluding Montessori schools from day care regulation; appropriating money; amending Minnesota Statutes 1976, Section 245.791.

Referred to the Committee on Rules and Administration for Comparison to S. F. No. 185 now on General Orders.

Without objection, the Senate reverted to the Order of Business of Messages From the House and First Reading of House Bills.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 1582:

H. F. No. 1582: A bill for an act relating to public safety; clarifying the duties of the commissioner of public safety in regard to the state criminal justice datacommunications network; amending Minnesota Statutes 1976, Sections 299C.46; 299C.48; and Chapter 299C, by adding a section; repealing Minnesota Statutes 1976, Section 299C.45.

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

Novak, Kahn and Moe have been appointed as such committee on the part of the House.

House File No. 1582 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 May 20, 1977

Mr. Schaaf moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1582, and that a Conference Committee of 3 members be appointed by the Subcommittee 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 File, herewith transmitted:

H. F. No. 85

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1977

FIRST READING OF HOUSE BILLS

The following bill was read the first time and referred to the committee indicated.

H. F. No. 85: A bill for an act relating to governmental agencies; providing for an open appointment process; requiring reports from appointing authorities and the commissioner of administration; providing for publication of agency vacancies.

Referred to the Committee on Finance.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Tennessen moved that the name of Mr. Ulland, J. be added as co-author to S. F. No. 1199. 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. 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. 783: A bill for an act relating to libraries; requiring distribution of certain state publications to county libraries; appropriating money; amending Minnesota Statutes 1976, Sections 15.051, Subdivision 4; 15.047, Subdivision 2; and 648.39, by adding a subdivision.

Senate File No. 783 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1977

CONCURRENCE AND REPASSAGE

Mr. Olson moved that the Senate concur in the amendments by the House to S. F. No. 783 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 783 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 40 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Dieterich	Laufenburger	Penny	Staples
Bang	Engler	Lessard	Perpich	Stokowski
Benedict	Gearty	McCutcheon	Peterson	Strand
Bernhagen	Hughes	Menning	Renneke	Stumpf
Brataas	Keefe, S.	Milton	Schaaf	Tennessee
Chmielewski	Kirchner	Nichols	Schmitz	Ulland, J.
Coleman	Kleinbaum	Ogdahl	Schrom	Vega
Davies	Knutson	Olson	Sikorski	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. 266: A bill for an act relating to elections; providing for training of all election officials; requiring training prior to service as an election judge; imposing certain duties on the secretary of state and county auditors; providing for assistance to disabled voters; appropriating money; amending Minnesota Statutes 1976, Sections 204A.13, Subdivision 2, and by adding subdivisions; 204A.14, Subdivision 1; 204A.18, by adding a subdivision; 204A.20; 204A.34, Subdivision 2, as amended and Chapter 204A, by adding a section.

Senate File No. 266 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 20, 1977

CONCURRENCE AND REPASSAGE

Mr. Keefe, S. moved that the Senate concur in the amendments by the House to S. F. No. 266 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 266: A bill for an act relating to elections; providing for training of all election officials; prescribing certain duties for the secretary of state; providing for assistance to disabled voters; amending Minnesota Statutes 1976, Sections 204A.13, Subdivision 2, and by adding subdivisions; 204A.14, Subdivision 1; 204A.34, Subdivision 2, as amended by Laws 1977, Chapter 88, Section 2; and Chapter 204A, by adding a section.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 39 and nays 4, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knutson	Olson	Sikorski
Bang	Frederick	Laufenburger	Penny	Staples
Benedict	Gearty	Lessard	Perpich	Stokowski
Bernhagen	Hanson	McCutcheon	Peterson	Stumpf
Brataas	Hughes	Menning	Renneke	Tennessee
Coleman	Keefe, S.	Milton	Schaaf	Ulland, J.
Davies	Kirchner	Nichols	Schmitz	Vega
Dieterich	Kleinbaum	Ogdahl	Setzepfandt	

Messrs. Chmielewski, Gunderson, Schrom and Strand 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. 448: A bill for an act relating to public safety; requiring implementation of 911 emergency telephone systems; providing for standards and waivers; appropriating money.

Senate File No. 448 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 20, 1977

CONCURRENCE AND REPASSAGE

Mr. Keefe, S. moved that the Senate concur in the amendments by the House to S. F. No. 448 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 448: A bill for an act relating to public safety; telephone companies; providing for local emergency telephone service; appropriating money.

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

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 42 and nays 1, as follows:

Those who voted in the affirmative were:

Bang	Gearty	Lessard	Perpich	Staples
Benedict	Gunderson	McCutcheon	Peterson	Stokowski
Bernhagen	Hanson	Menning	Purfeerst	Strand
Brataas	Hughes	Milton	Renneke	Stumpf
Chmielewski	Keefe, S.	Nelson	Schaaf	Ulland, J.
Davies	Kirchner	Nichols	Schmitz	Vega
Dieterich	Kleinbaum	Ogdahl	Setzepfandt	
Engler	Knutson	Olson	Sieloff	
Frederick	Laufenburger	Penny	Sikorski	

Mr. Ashbach 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. 90: A bill for an act relating to soil and water conservation; adding the commissioner of natural resources as an ex-officio member of the state soil and water conservation board;

authorizing a cost-sharing program; clarifying the powers and duties of the state board and local districts; amending ambiguous or redundant provisions; adding a member to the soil and water conservation board temporarily; appropriating funds; amending Minnesota Statutes 1976, Chapter 40, by adding sections; and Sections 40.01, Subdivision 8, and by adding a subdivision; 40.02; 40.03, Subdivisions 1, 2, 3, and 4; and 40.07, Subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 14; repealing Minnesota Statutes 1976, Sections 40.005; and 40.07, Subdivision 13.

Senate File No. 90 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 20, 1977

CONCURRENCE AND REPASSAGE

Mr. Stumpf moved that the Senate concur in the amendments by the House to S. F. No. 90 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 90 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 42 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Laufenburger	Penny	Staples
Bang	Gunderson	Lessard	Perpich	Stokowski
Benedict	Hanson	McCutcheon	Peterson	Strand
Bernhagen	Hughes	Menning	Purfeerst	Stumpf
Brataas	Keefe, S.	Milton	Schaaf	Ulland, J.
Chmielewski	Kirchner	Nelson	Schmitz	Vega
Davies	Kleinbaum	Nichols	Setzepfandt	
Dieterich	Knoll	Ogdahl	Sieloff	
Engler	Knutson	Olson	Sikoraki	

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. 937:

H. F. No. 937: A bill for an act relating to Ramsey county, deleting obsolete provisions in the Ramsey county code relating to parks and recreation; amending Laws 1974, Chapter 435, Section 1.0205.

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

Cohen, Kostohryz and Hanson have been appointed as such committee on the part of the House.

House File No. 937 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 May 20, 1977

Mr. Stumpf moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 937, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 293 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 293: A bill for an act relating to waters; authorizing conveyance of the Blackduck Lake outlet dam and empowering the town of Hines in Beltrami county to acquire, maintain and operate it.

House File No. 293 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 19, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 293

A bill for an act relating to waters; authorizing conveyance of the Blackduck Lake outlet dam and empowering the town of Hines in Beltrami county to acquire, maintain and operate it.

May 17, 1977

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

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 293, 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. 293 be amended as follows:

Page 1, line 14, after "county" delete the comma

Page 1, line 20, delete "378.34, and 378.35"

Page 1, line 22, after the period insert "The electors of the town of Hines may levy taxes for the maintenance and operation of any dam conveyed pursuant to section 1 subject to the limitations specified in section 275.10."

Further, amend the title, as follows:

Page 1, line 4, after "maintain" insert a comma

Page 1, delete line 5, and insert "operate and levy taxes for such purposes."

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

House Conferees: (Signed) Irvin N. Anderson, Henry J. Savelkoul.

Senate Conferees: (Signed) Bob Lessard, Robert G. Dunn, Myrton O. Wegener.

Mr. Lessard moved that the foregoing recommendations and Conference Committee Report on H. F. No. 293 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. 293: A bill for an act relating to waters; authorizing conveyance of the Blackduck Lake Outlet dam and empowering the town of Hines in Beltrami county to acquire, maintain, operate and levy taxes for such purposes.

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

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

The roll was called, and there were yeas 40 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Knoll	Ogdahl	Setzepfandt
Bang	Gearty	Knutson	Penny	Sieloff
Benedict	Gunderson	Laufenburger	Perpich	Sikorski
Bernhagen	Hanson	Lessard	Peterson	Staples
Brataas	Hughes	McCutcheon	Purfeerst	Strand
Chmielewski	Keefe, S.	Menning	Schaaf	Stumpf
Davies	Kirchner	Nelson	Schmitz	Ulland, J.
Dieterich	Kleinbaum	Nichols	Schrom	Vega

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 File, herewith transmitted:

H. F. No. 1236.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 19, 1977

FIRST READING OF HOUSE BILLS

The following bill was read the first time and referred to the committee indicated.

H. F. No. 1236: A bill for an act relating to water; requiring that new domestic wells be registered with the local soil and water conservation district; requiring that the commissioner of natural resources be notified of the appropriation of water for domestic use; requiring pumping tests and monitoring on large wells, and providing for exceptions; changing criteria for issuance of ground-water appropriation permits; creating a water planning board in the executive branch; appropriating money; amending Minnesota Statutes 1976, Sections 105.41, Subdivisions 1 and 1a; 105.44, Subdivision 8, and by adding subdivisions; and 105.45.

Referred to the Committee on Rules and Administration for comparison to S. F. No. 1201, now on Special Orders.

RECESS

Mr. Keefe, S. 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.

CALL OF THE SENATE

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

Ashbach	Gearty	Lessard	Perpich	Staples
Bang	Gunderson	Lewis	Pillsbury	Stokowski
Benedict	Hanson	McCutcheon	Purfeerst	Stumpf
Brataas	Hughes	Milton	Schaaf	Tennessee
Coleman	Keefe, J.	Moe	Schmitz	Vega
Davies	Keefe, S.	Nelson	Schrom	
Dieterich	Kleinbaum	Nichols	Sieloff	
Engler	Knoll	Olson	Sikorski	
Frederick	Knutson	Penny	Spear	

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

Without objection, the Senate reverted to the Order of Business of Messages From the House.

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. 124: A bill for an act relating to women; establishing pilot programs to provide emergency shelter and support services to battered women; providing funds to establish community education programs about battered women; providing for data collection; waiving certain general assistance eligibility requirements for

battered women; appropriating money; amending Minnesota Statutes 1976, Section 256D.05, by adding a subdivision.

Senate File No. 124 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1977

Mr. Lewis moved that the Senate do not concur in the amendments by the House to S. F. No. 124 and that a Conference Committee of 3 members be appointed by the Subcommittee 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 that the House has adopted the recommendation and report of the Conference Committee on House File No. 1510 and repassed said bill in accordance with the report of the committee, so adopted.

H. F. No. 1510: A bill for an act relating to the organization and operation of state government; appropriating money for education and related purposes with certain conditions, including the department of education, aids to libraries, higher education coordinating board, state universities, community colleges, and the university of Minnesota and its hospitals; amending Minnesota Statutes 1976, Sections 120.17, Subdivision 7a; 128A.02, Subdivision 3; 128A.06, Subdivision 1; 128A.07; 136A.121, Subdivision 3; 141.24; 141.36; 179.69, Subdivisions 4 and 5; and 197.78; repealing Minnesota Statutes 1976, Section 128A.08.

H. F. No. 1510 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 19, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1510

A bill for an act relating to the organization and operation of state government; appropriating money for education and related purposes with certain conditions, including the department of education, aids to libraries, higher education coordinating board, state universities, community colleges, and the university of Minnesota and its hospitals; amending Minnesota Statutes 1976, Sections 120.17, Subdivision 7a; 128A.02, Subdivision 3; 128A.06, Subdivision 1; 128A.07; 136A.121, Subdivision 3; 141.24; 141.36; 179.69, Subdivisions 4 and 5; and 197.78; repealing Minnesota Statutes 1976, Section 128A.08.

May 17, 1977

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

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1510, report that we have agreed upon the items in dispute and recommend as follows:

Strike everything after the enacting clause and insert:

“Section 1. [EDUCATION; APPROPRIATIONS.] The sums set forth in the columns designated “APPROPRIATIONS” are appropriated from the general fund, or any other fund designated, to the agencies and for the purposes specified in the following sections of this act, to be available for the fiscal year indicated for each purpose. The figures “1977”, “1978”, and “1979”, wherever used in this act, mean that the appropriation or appropriations listed thereunder or therefor shall be available for the year ending June 30, 1977, June 30, 1978, or June 30, 1979, respectively.

APPROPRIATIONS

Available for the Year

Ending June 30,

1978 1979

\$

\$

Sec. 2. DEPARTMENT OF EDUCATION

Approved Complement—

	1978	1979
State—	509.87	508.87
Federal—	218.7	218.7

Subdivision 1. General Academic and Related Services

1,590,268 1,607,747

(a) Salaries, Supplies, and Expenses

	1978	1979
	\$1,490,268	\$1,507,747

(b) Microfilming of teacher license files

	\$100,000	\$100,000
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The department shall not reduce instructional services consultant positions in those subject areas where there is only one consultant position.

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

Of the amount provided by this subdivision, \$15,676 in 1978 and \$15,739

	1978	1979
	\$	\$
in 1979 is appropriated from the trunk highway fund.		
Subd. 2. Vocational Technical Instruction and Related Services	1,741,839	1,727,449

(a) Salaries, Supplies, and Expenses

\$1,721,839	\$1,727,449
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(b) Revolving fund for on-the-job training program

\$20,000

Provided that the funds in (a) shall not be used to pay for more than 75 percent of the Independent Telephone Communications Training Program and the Minnesota Electric Cooperative Linepersons Training Program, and further provided that the appropriate industry or association is required to pay at least 25 percent of the cost of each program.

Funds in (b) are for the purpose of acting as the state approving agency, as authorized by 38 U.S.C. Chapter 36. All funds received from the federal government for this purpose shall be deposited in the general fund and are reappropriated for that purpose.

Notwithstanding any provisions to the contrary, the commissioner of finance shall not increase the number of positions in vocational education supported by federal funds above the approved federal complement of 42.7, until he has consulted with the chairmen of the senate finance committee and the house appropriations committee.

Subd. 3. Special and Compensatory Instruction and Related Services

4,814,842	4,760,816
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(a) Salaries, Supplies and Expenses

\$4,314,842	\$4,260,816
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(b) Claims, Grants, and Shared Revenue Indian Scholarships

\$500,000	\$500,000
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The department of education shall make a study of program space needs

	1978	1979
	\$	\$

at the Minnesota Braille and Sight-Saving school and submit the results of the study to the legislature by January 1, 1978. The study shall include consideration of the use of existing state buildings.

Of the amount in (a) for the first year, \$97,140 is for repair and purchase of equipment at the Minnesota School for the Deaf, the Minnesota Braille and Sight-Saving School, and the Regional Library for the Blind. Any unexpended balance from this \$97,140 at the end of the first year shall not cancel but shall be available for the second year of the biennium.

The department of education may use the funds appropriated in (a) to hire additional human services technicians at the Minnesota School for the Deaf and the Minnesota Braille and Sight-Saving School provided, however, that the department shall not increase the complement by more than two human services technicians at each school.

Any unexpended balance remaining in (b) in the first year shall not cancel but shall be available for the second year of the biennium.

Subd. 4. Education Planning, and Development

	1,126,855	1,178,527
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(a) Salaries, Supplies, and Expenses

\$526,855	\$528,527
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(b) Claims, Grants and Shared Revenue

\$600,000	\$650,000
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Any unexpended balance remaining in (b) in the first year shall not cancel but shall be available for the second year of the biennium.

Subd. 5. School Management and Services

	9,218,488	8,019,667
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(a) Salaries, Supplies, and Expenses

\$1,368,488	\$1,016,750
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1978

1979

\$

\$

\$331,926 in 1978 and \$9,125 in 1979 is for redesign of the Department's Management Information System. Any unexpended balance remaining for this purpose in the first year shall not cancel but shall be available for the second year of the biennium.

(b) Claims, Grants, and Shared Revenue

\$4,550,000

\$3,639,929

Of the amount in (b) \$175,000 in 1978 is for Uniform Financial Accounting Reporting System (UFARS) regional staff. \$1,683,000 in 1978 and \$879,000 in 1979 is for support of regional management information centers. \$2,692,000 in 1978 and \$2,760,929 in 1979 is for salaries and expenses of the Minnesota education computing consortium.

The department shall charge MECC users for on-line computer time actually used, such receipts shall be deposited in the Minnesota educational computing consortium account, and are reappropriated to the Minnesota educational computing consortium.

The department of education in consultation with MECC shall submit to the chairman of house appropriations and the chairman of senate finance no later than July 15 and December 31 of each year a progress report, proposed plans, and expenditures.

(c) School Lunch Program claims, grants, and shared revenue

\$3,300,000

\$3,362,988

Of the amount in (c) \$300,000 in 1978 and \$325,000 in 1979 is for food storage costs for USDA donated commodities.

Of the amount provided in (c), so much thereof as is necessary shall be used for the type "A" lunch program.

Any unexpended balance remaining in (b) or (c) in the first year shall not

	1978	1979
	\$	\$
cancel but shall be available for the second year of the biennium.		
Subd. 6. Auxiliary and General Support Services	1,740,413	1,716,907
Salaries, Supplies, and Expenses		
\$1,740,413	\$1,716,907	

The board of teaching shall evaluate its staffing needs and submit a report to the legislature by January 1, 1978.

Subd. 7. Public Library Services and Inter-Library Cooperation	2,507,775	2,907,152
(a) Salaries, Supplies, and Expenses		
\$357,775	\$357,152	
(b) Claims, Grants, and Shared Revenue		
\$2,150,000	\$2,150,000	
(c) Claims, Grants and Shared Revenue		
Contingency		
— 0 —	\$400,000	

Any unexpended balance remaining in (b) in the first year shall not cancel but shall be available for the second year of the biennium.

The amount appropriated in (c) shall become available upon enactment of legislation establishing a new distribution formula and implementation of the formula by the department.

To qualify for the state library grant herein authorized, local levies for libraries shall not be less than the library levies payable in 1977.

The appropriations in (b) and (c) are limited to libraries' operating purposes only.

Subd. 8. Civil Service Salary and Fringe Adjustments	975,435	1,103,031
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Of the amount provided by this subdivision, \$1,494 in 1978 and \$1,738 in 1979 is appropriated from the trunk highway fund.

	1978	1979
	\$	\$
<p>Subd. 9. Except as provided in Minnesota Statutes, Section 3.925, none of the amounts appropriated in subdivisions 3, 4, 5, and 7 listed as claims, grants and shared revenues on the official worksheets of the conferees of the senate and house of representatives, a true copy of which is on file in the office of the commissioner of finance, shall be transferred to any other expenditure category other than that for which it was appropriated.</p> <p>The department of education shall not use any federal or other funds for the purpose of continuing any positions which have been deleted from the department's complement as shown on official conference committee work papers.</p>		
<p>Sec. 3. HIGHER EDUCATION COORDINATING BOARD</p>		
Subdivision 1. Salaries and Expenses	904,450	926,237
<p>This appropriation includes money for the administration of the state scholarship, state grant-in-aid, student loan, budget review program review, and private college contracts.</p>		
Subd. 2. MOIS Revolving Fund	50,000	
<p>There is established in the state treasury a Minnesota occupational information system revolving fund. The board shall charge MOIS users for services provided them. Receipts shall be deposited in the MOIS revolving fund, and are appropriated to the board for the purposes of the Minnesota occupational information system. The general fund shall be reimbursed \$50,000 by June 30, 1981.</p>		
Subd. 3. State Scholarship Program	7,589,033	9,163,951
Subd. 4. State Grant-In-Aid Program	13,650,000	16,650,000
Subd. 5. Work Study Program	1,600,000	1,600,000
Subd. 6. Foreign Student Loans	80,000	80,000
Subd. 7. Minitex Library Program	400,000	425,000

	1978	1979
	\$	\$
Subd. 8. Private College Contracts	4,400,000	4,800,000
Subd. 9. Regional Coordination and Service	239,071	247,148
Subd. 10. Any unexpended balance remaining the first year in subdivisions 1, 3, 4, 6, 7, and 8 shall not cancel but shall be available for the second year of the biennium.		
Subd. 11. Medical Student Loan Reserve	30,000	30,000
Subd. 12. Education of Dependents	10,000	10,000
Sec. 4. STATE UNIVERSITY BOARD		
Subdivision 1. Maintenance and Equipment	65,131,643	68,221,450

Within the funds appropriated for the purpose by the 70th legislature, the commissioner of personnel and the state university board are authorized to implement those provisions of the collective bargaining agreements negotiated with the Inter-Faculty Organization/Minnesota Education Association and the Minnesota State University Association of Administrative and Service Faculty, which establish wages and economic fringe benefits.

The amounts appropriated in subdivisions 1 and 2 include a sum in each year for recruitment of unclassified staff.

Notwithstanding any other law to the contrary, the state university board may purchase public liability insurance to protect those nonemployees involved in activities ancillary to the programs of the agency. These activities shall include, but not be limited to: (a) fine art exhibitions, where the intent is to insure the artist's works; (b) personal property of nonemployees which is used by the agency for its auxiliary enterprises; (c) personal professional liability insurance for students when required by clinical training institutions, as a condi-

	1978	1979
	\$	\$
tion for use of the clinical facilities; (d) students while involved in educational program related field trips, tours and other off-campus activities; (e) medical and hospitalization insurance for students participating in intercollegiate, intramural and extramural programs; (f) property insurance for Auxiliary Enterprises assets, including inventory to be paid from Auxiliary Enterprises proceeds; (g) otherwise uncompensated contractors who allow state agencies to use contractor facilities and equipment.		
Subd. 2. State University Board Contingent	750,000	
Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.		
This appropriation shall be expended with the approval of the governor after consultation with the legislative advisory commission as provided by Minnesota Statutes, Section 3.30.		
Subd. 3. Student Loans—State Matching	175,000	175,000
This appropriation shall be used as the state's matching share for any federal student aid or loan program.		
Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium. No portion of the appropriation shall be used to defray obligations incurred prior to July 1, 1977.		
Subd. 4. Repairs and Betterments	808,868	864,666
Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.		
Subd. 5. A report shall be submitted to the 71st session of the legislature as to the use of all money exempt from budgetary control by the commissioner of finance pursuant to Minnesota Statutes, Sections 136.11, Subdivision 5; 136.144; and 136.37.		

	1978	1979
\$		\$

Subd. 6. Notwithstanding the provisions of any law to the contrary, the state university board may provide for the orderly replacement of aircraft. An equipment suspense account shall be established by the commissioner of finance within the general fund. All receipts that are attributable to the operation or use of aircraft are reapropriated to the state university board. These receipts, or a portion thereof as may be designated by the board, shall be credited to the equipment suspense account. Any balance in this account shall not cancel at the end of a fiscal year but shall remain available for transfer at the request of the board to its maintenance and equipment account.

Sec. 5. STATE COMMUNITY COLLEGE BOARD

Subdivision 1.

29,358,615	30,962,847
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Section 4 of Article X of the Professional Staff Agreements, as negotiated between the state board for community colleges and the Minnesota Community College Faculty Association shall not be implemented during the 1977-79 biennium and the agreement is approved as modified. The board and the association are directed to agree upon a salary schedule for fiscal year 1978 and for fiscal year 1979, that shall not exceed a salary adjustment of 7 percent for fiscal year 1978 and a salary adjustment of 7 percent for fiscal year 1979.

This appropriation is for maintenance and equipment of the state community college board and the state community colleges. The state community colleges are encouraged to use off-campus courses to extend the benefits of this appropriation to as many Minnesota residents as possible.

Notwithstanding any other law to the contrary, the board for community colleges may purchase insurance coverage as follows:

	1978	1979
	\$	\$

Personal professional liability insurance for students when required by clinical training institutions, as a condition for use of the clinical facilities.

Medical and hospitalization insurance for students participating in intercollegiate, intramural and extramural programs.

Blanket personal property insurance for fine art displays, including but not limited to, paintings, photographs, sculptures, exhibited on a community college campus.

Property insurance for Auxiliary Enterprise assets, including inventory to be paid from Auxiliary Enterprises proceeds.

Subd. 2. Occupational Program Development	300,000	
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Prior to use of this appropriation the chancellor of the community college system shall submit the proposed program and expenditures for review by the chairmen of the house appropriations and senate finance committees.

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

Subd. 3. St. Paul Learning Center	40,000	50,000
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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.

The board shall report to the committee on finance of the senate and the committee on appropriations of the house of representatives by March 1, 1978 for the first year and January 1, 1979 for the second year on the use of the money in this appropriation.

Subd. 4. Student Loan Program— State Matching	85,000	90,000
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This appropriation shall be used as the state's matching share for any federal student aid or loan programs.

	1978	1979
	\$	\$
Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.		
Subd. 5. State Community College Board Contingent	300,000	
Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.		
This appropriation shall be expended with the approval of the governor after consultation with the legislative advisory commission, as provided by Minnesota Statutes, Section 3.30		
Subd. 6. Repairs and Betterments	405,431	374,760
Any unexpended balances remaining in the first year shall not cancel but shall be available for the second year of the biennium.		
Subd. 7. Special Assessments	235,215	
Sec. 6. UNIVERSITY OF MINNESOTA		
Subdivision 1. Operations and Maintenance	150,521,248	156,979,440
These appropriations are made from:		
(a) Income derived from investment of the permanent university fund, which is appropriated to the university as provided in Minnesota Statutes, Section 137.022. It is estimated that this income will not exceed \$2,500,000 for the first year and \$2,500,000 for the second year; and		
(b) The general fund. It is estimated that the amount required from the general fund will be at least \$148,021,248 for the first year and \$154,479,440 for the second year.		
On October 1, 1978 and 1979 the president of the university of Minnesota shall furnish the house appropriations and senate finance committees and the commissioner of finance the following information:		
(1) The total amount of receipts during the fiscal year 1978 from all		

1978

1979

\$

\$

sources in excess of \$68,889,000 and during the fiscal year 1979 from all sources in excess of \$72,929,000;

- (2) The sources of these receipts; and
 (3) The purposes for which any excess receipts were expended and accounts to which transferred.

The board of regents shall certify to the commissioner of finance at the end of each quarter the amount of earnings derived from the investment of the permanent university fund.

If this income during any fiscal year exceeds the amounts stated in (a) above the amount payable from the general fund shall be reduced accordingly.

The university is requested to review the staffing patterns at the two technical campuses. Recommendations leading toward equalization shall be included in the 1979 budget request.

In preparing the university's legislative budget request for the 1979-1981 biennium, all projected income from student tuition shall be based on a charge per credit hour schedule.

The university shall explore the possibility of developing and implementing a self insurance program. A report of the findings and recommendations shall be submitted to the legislature no later than January 15, 1978.

Any excess funds in the above appropriation resulting from delayed completion or occupancy of new space as projected in the budget document shall cancel to the general fund.

In the event that federal funds continue to be available for CETA positions at the Duluth and Morris campus, the appropriated state funds shall cancel.

The university is directed to take the necessary steps to insure faculty salary equalization among the twin cities and

	1978	1979
	\$	\$
coordinate campuses and submit a progress report to the legislature by January 15, 1979.		
Subd. 2. Equipment Replacement	500,000	500,000
Subd. 3. Student Loans — State Matching	250,000	250,000
This appropriation shall be used as the state's matching share for any federal student aid or loan program. Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.		
Subd. 4. Library Supplement	1,186,300	1,186,300
Subd. 5. Intercollegiate Athletics	594,400	660,200
This appropriation shall be used only for the support of a women's intercollegiate athletic program.		
Subd. 6. Summer School Tuition and Continuing Education Supplement	772,521	772,521
The board of regents shall expend this money to equalize tuition rates among undergraduate students for regular session, summer session and extension programs in order to facilitate to the maximum the use of campus units, buildings and staff.		
Subd. 7. Graduate Residency Program	2,967,128	2,967,128
All hospitals receiving any portion of this appropriation shall furnish the house appropriations and senate finance committees with a full report no later than March 1, 1978, of all actual and reasonable costs resulting from graduate family practice residency education, and all fees and income to the hospital generated by the graduate residents in family practice and the purposes for which this money was expended. Expenditures from this appropriation shall be made only for activities directly related to the training of doctors in family practice.		
Subd. 8. Medical Services and Instruction	1,086,802	1,086,802

	1978	1979
	\$	\$
<p>This appropriation includes money for the rural health physicians' associate program, drug abuse information and education, and public health and nurse clinician generalist program. The university shall submit a progress report on the drug abuse program by January 15, 1979.</p>		

Subd. 9. Health Sciences Contingent 3,563,126

Portions or all of the above appropriation shall become available upon submission of required documentation that federal health sciences capitation funds have been reduced or phased out. Replacement of any capitation grant losses or reductions shall be computed by using the fiscal year 1976 level as the base year. All requests shall be reviewed by the chairmen of the house appropriations and senate finance committees whose recommendations shall be advisory only. Failure to make a recommendation promptly shall be deemed a negative recommendation.

Subd. 10. Duluth Campus

(a) Basic Sciences Program for Medical Training	1,681,166	1,895,433
(b) Dental Hygiene Program	199,156	199,156
(c) Graduate School of Social Work	378,594	378,594

Subd. 11. Special—Civil Service Salary and Fringe adjustments	2,365,964	3,527,891
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Sec. 7. UNIVERSITY OF MINNESOTA; RESEARCH

Subdivision 1. General Research	1,390,340	1,390,340
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This appropriation is, as the board of regents may direct, for general research, business and economic research including Duluth, training for careers in fire prevention and protection, center for urban and regional affairs, museum of natural history, and juvenile justice seminar.

Subd. 2. General Agricultural Research	6,027,964	6,027,964
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This appropriation includes money for

	1978	1979
	\$	\$
research on aquatic plants (including wild rice), soybeans, avian disease, corn improvement and irrigation.		
Subd. 3. Hormel Institute—Austin	105,000	105,000
To support the operation of the institute and to promote research by the institute.		
Subd. 4. Medical Research	1,203,524	1,233,524
Subd. 5. Veterinary Diagnostic Laboratory and Teaching Hospital	636,203	636,203
Subd. 6. Geological Survey	427,514	427,514
Subd. 7. Lake Superior Basin Studies	56,136	56,136
The University shall submit a progress report to the 1979 legislature.		
Subd. 8. Freshwater Biological Research Institute	154,209	154,209
Sec. 8. UNIVERSITY OF MINNESOTA; COMMUNITY SERVICES Subdivision I. Agricultural Extension Service	5,728,879	5,750,000
This appropriation includes money for agriculture extension work, county agricultural agents, home demonstration and 4-H club work, and soil conservation. Any salary increases granted by the university to personnel paid from this appropriation shall not result in a reduction of the county portion of the salary payments.		
This appropriation includes money each year for the potato and sugar beet extension program in the Red River Valley, contingent on an equal amount being provided by the state of North Dakota.		
Subd. 2. For State's Share of Expenses of County Indigent Patients	2,000,000	2,000,000
Subd. 3. Special Hospitals, Community Service, and Educational Offset	5,205,846	5,205,846
Fees for service furnished to counties and individuals under this program shall be sought to augment the money		

	1978	1979
	\$	\$
appropriated; the fees are appropriated to the university hospitals.		
Subd. 4. Industrial Relations Education Program	374,898	374,898
This appropriation includes money for short courses, programs, and seminars for labor and management.		

Sec. 9. MAYO MEDICAL SCHOOL	1,184,000	1,208,000
The state of Minnesota shall pay a capitation of \$8,000 for each student who is a resident of Minnesota for a maximum of 40 such students in each class.		

Sec. 10. WORKERS' COMPENSATION

For 1977—\$108,971

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:

Community College Board	10,716
State University Board	98,255

Sec. 11. UNEMPLOYMENT COMPENSATION

For 1977—\$350,306

To the commissioner of finance for transfer to the unemployment compensation fund in reimbursement for unemployment compensation benefits paid to former employees of the following agencies in the amounts as indicated:

Community College System	63,007
State University Board	285,955
Higher Education Coordinating Board	1,344

Sec. 12. Minnesota Statutes 1976, Section 120.17, Subdivision 7a, is amended to read:

Subd. 7a. [ATTENDANCE AT SCHOOL FOR THE HANDICAPPED.] 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 128A.05, subdivisions 1 or 2 that the child is entitled to attend either school, the state board shall provide the appropriate educational program for the child. 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. All tuition so received shall be deposited in the state treasury, subject to the order of the state board;

(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, 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 state board for the actual cost of providing the program, less any amount of aid received pursuant to section 124.32. The state board shall pay the tuition and other program costs including the unreimbursed transportation costs. 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 educational program and the state shall reimburse such district within the limits provided by law.

Sec. 13. Minnesota Statutes 1976, Section 128A.02, Subdivision 3, is amended to read:

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 residential school administrator shall serve in the unclassified service at the pleasure of the commissioner of education.* 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 teaching and the state board of education; provided that any teacher who does not meet these standards as of July 1, 1977 shall be required to meet these standards by September 15, 1978 1980 in order to continue in employment.

Sec. 14. Minnesota Statutes 1976, Section 128A.06, Subdivision 1, is amended to read:

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 five members who are knowledgeable in the fields of hearing impairment or visual disability, as applicable, to be appointed by the state board.

Sec. 15. Minnesota Statutes 1976, Section 128A.07, is amended to read:

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. 16. Minnesota Statutes 1976, Section 136A.121, Subdivision 3, is amended to read:

Subd. 3. [ALLOCATION AND AMOUNT.] (1) Scholarships and grants-in-aid shall be awarded annually on a funds available basis to those first year students and transfer students *applicants for initial awards and applicants for renewal awards* who meet the board's requirements;

(2) A financial stipend shall accompany scholarship awards if the scholarship winner demonstrates financial need and will attend an eligible institution. Financial stipends shall range from a maximum of \$1,100 to a minimum of \$100 but in no event shall exceed one-half of the applicant's financial need *or an amount which if combined with the amount of a federal basic educational opportunity grant for which the applicant is eligible equals 75 percent of the applicants' need, whichever is lesser*. Scholarship winners who do not demonstrate financial need under criteria prescribed by the board shall be awarded honorary scholarships;

(3) A financial stipend based on financial need shall accompany grants-in-aid. Financial stipends shall range from a maximum of \$1,100 to a minimum of \$100, but in no event shall exceed one-half of the applicant's financial need *or an amount which if combined with the amount of a federal basic educational opportunity grant for which the applicant is eligible equals 75 percent of the applicants' need, whichever is lesser*;

(4) In dispensing available funds in a given year, priority shall be given on the following basis:

Renewal scholarships and grants-in-aid.

Thereafter, until the funds are exhausted, to first year and transfer applicants, on the basis of their rank in the case of scholarships,

and on the basis of need with first year and transfer applicants treated as a single pool of applicants in the case of grants-in-aid, as determined by standards prescribed by the board.

(5) Each scholarship or grant-in-aid shall be awarded for one academic year but shall be renewable until a total of eight semesters or twelve quarters or their equivalent have been covered, or a baccalaureate degree obtained, whichever occurs first;

(6) Each scholarship or grant-in-aid shall be renewable, contingent on continued residency in Minnesota, United States citizenship, satisfactory academic standing and recommendation of the college or vocational school and, in the case of financial assistance, evidence of continued need;

(7) The student must apply for renewal of his scholarship or grant-in-aid each year;

(8) The student must continue to attend an eligible institution;

(9) All scholarship winners shall be notified of their award by the board and shall be given appropriate evidence of the award;

(10) All grant-in-aid recipients shall be duly notified thereof by the board;

(11) Financial scholarships and grants-in-aid awarded under the terms of sections 136A.09 to 136A.131 shall be applied to educational costs in the following order: tuition, fees, books, supplies and other expenses. Unpaid portions of such awards shall revert to the board scholarship or grant-in-aid account.

Sec. 17. Minnesota Statutes 1976, Section 141.24, is amended to read:

141.24 [ADVISORY COUNCIL.] The Minnesota advisory council on private trade, business and correspondence schools is hereby created consisting of 16 members to be appointed by the state board of education as follows: two members, each from trade, business, correspondence, and paramedical schools; one member each representing the secondary school principals and guidance counselors; one member representing agriculture, business or management, organized labor, and health occupations, and two members representing the general public. The state board of education shall appoint such members to the advisory council within 30 days of November 15, 1969. Each member shall be appointed for a four year term except that in making appointments for the first term, the state board of education shall, so far as practicable appoint eight members representative of each category, for a two year term. The council shall expire and the terms, compensation and removal of members shall be as provided in section 15.059. The state board of education shall appoint the council chairman from the council membership and the secretary from the professional staff of the department of education who will serve ex officio. The attorney general shall appoint an attorney to serve as legal counsel for the council. The council shall advise the commissioner and the state board of education in promoting the growth, ethical, economic, and successful operation of the schools subject to the act

in informing the public by the dissemination of public information regarding private business, trade, and correspondence schools licensed pursuant to this chapter, provided that data obtained pursuant to section 141.30 shall not be divulged except as therein provided ; protecting the interests of the prospective and enrolled students of such schools; and advising the commissioner and the state board of education in formulating rules and regulations contemplated in section 141.23.

Sec. 18. Minnesota Statutes 1976, Section 141.36, is amended to read:

141.36 [PUBLIC POLICY (CURRENT).] It shall be the public policy of the state to protect all persons and schools covered by sections 141.21 to 141.36 from unfounded charges, complaints or harassment, and to promote the growth, ethical, economic and successful operation of the schools subject to sections 141.21 to 141.36, and to protect the interests of prospective and enrolled students *and to inform the public by the dissemination of public information regarding private business, trade, and correspondence schools licensed pursuant to this chapter, provided that data obtained pursuant to section 141.30 shall not be divulged except as therein provided .*

Sec. 19. Minnesota Statutes 1976, Section 197.78, is amended to read:

197.78 [STATE EDUCATIONAL PROGRAMS UNAVAILABLE THROUGH FEDERAL PROGRAMS.] *Subdivision 1.* The state board of education shall foster and support educational programs for the benefit of veterans to assure that no Minnesotan shall be deprived of his earned veterans benefits by virtue of the unavailability of programs for which the veteran is entitled to enroll and receive subsistence, tuition, and other benefits under federal programs. It shall be the responsibility of the state board to measure the demand for veterans service educational programs based on the criteria mandated by federal veterans benefits laws and to authorize, promote, and make grants within appropriated amounts to assure such program availability.

Subd. 2. *The state board of education is authorized to maintain a contractual relationship with the United States as authorized by 38 U.S.C., Chapter 36, and subsequent amendments thereto, in which the state board shall agree to act as the state approving agency for purposes of federal veterans' educational benefits. The state board of education shall also have authority to adopt rules and regulations to fulfill its obligations as the state approving agency.*

Sec. 20. *Subdivision 1.* *Effective October 1, 1977, no funds appropriated by the state shall be transferred to or expended with or by the Minnesota educational computing consortium unless the consortium adheres to the provisions of Minnesota Statutes, Chapters 15, 16, excepting sections 16.90 and 16.94 thereof, 16A and 43.*

Subd. 2. *Notwithstanding the provisions of subdivision 1, the consortium is authorized to maintain a revolving fund for all receipts derived from computer services provided by the consortium and further provided that the consortium board may establish one management position in the unclassified service.*

Sec. 21. [MINNESOTA EDUCATIONAL COMPUTING CONSORTIUM, CONTRACTS.] *The Minnesota educational computing consortium, created and now existing pursuant to Minnesota Statutes, Section 471.59, its members and elementary-secondary and vocational school regional computing centers, are authorized to provide computer services to private educational institutions and to other individuals or groups in the event that MECC has computer service capabilities in excess of need and to establish and collect fees therefor. Provided, however, that the fees shall in no event be less than the cost of providing the services.*

Sec. 22. *There is hereby created a post-secondary education consortium for southwestern and west central Minnesota which shall have its principal office at southwest state university at Marshall. The purpose of the consortium shall be to improve the efficiency and effectiveness of post-secondary education, through increased interinstitutional cooperation and planning, in the area served by southwest state university and the university of Minnesota at Morris.*

The consortium shall be coordinated by a southwestern and west central Minnesota post-secondary education consortium board consisting of: the provost of the university of Minnesota, or his designee; the chancellor of the state university system, or his designee; the chancellor of the community college system, or his designee; the assistant commissioner for vocational-technical education within the state department of education, or his designee; the executive director of the higher education coordinating board, or his designee; and three persons representing the public at large who shall be appointed by the governor.

The board shall appoint an advisory committee consisting of: the provost at the university of Minnesota at Morris; the presidents of southwest state university and the community colleges at Willmar and Worthington; the directors of the vocational-technical institutes located in the area served; and seven citizen members who shall be residents of the area served by southwest state university. The citizen members shall be appointed for terms of two years, except that three of the initial appointments shall be for terms of one year. No more than one citizen member shall be appointed from a county.

The board is authorized to hire staff and incur other expenses as necessary for the purposes of this act.

Sec. 23. [REPEALER.] *Minnesota Statutes 1976, Section 128A.08, is repealed."*

Further, amend the title as follows:

Line 8, after the semicolon insert "creating a higher education consortium for southwestern Minnesota;"

Line 12, delete "179.69, Subdivisions 4 and 5;"

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

House Conferees: (Signed) Ray Faricy, Rod Searle, Stan Enebo, Mike Sieben, Bill Dean.

Senate Conferees: (Signed) Roger Moe, Robert Tennessen, Harmon Ogdahl, Peter Stumpf.

Mr. Moe moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1510 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. 1510: A bill for an act relating to the organization and operation of state government; appropriating money for education and related purposes with certain conditions, including the department of education, aids to libraries, higher education coordinating board, state universities, community colleges, and the university of Minnesota and its hospitals; creating a higher education consortium for southwestern Minnesota; amending Minnesota Statutes 1976, Sections 120.17, Subdivision 7a; 128A.02, Subdivision 3; 128A.06, Subdivision 1; 128A.07; 136A.121, Subdivision 3; 141.24; 141.36; 179.69, Subdivisions 4 and 5; and 197.78; repealing Minnesota Statutes 1976, Section 128A.08.

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

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

The roll was called, and there were yeas 48 and nays 3, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Luther	Purfeerst	Staples
Bang	Hanson	Menning	Renneke	Stokowski
Benedict	Johnson	Milton	Schaaf	Strand
Bernhagen	Keefe, S.	Moe	Schmitz	Stumpf
Chmielewski	Kirchner	Nelson	Setzepfandt	Tennessen
Coleman	Kleinbaum	Nichols	Sjeloff	Ulland, J.
Davies	Knoll	Olhoff	Sikorski	Vega
Dieterich	Laufenburger	Penny	Sillers	Wegener
Engler	Lessard	Perpich	Solon	
Gearty	Lewis	Peterson	Spear	

Mrs. Brataas and Messrs. Keefe, J. and Pillsbury 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 recommendation and report of the Conference Committee on House File No. 259 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 259: A bill for an act relating to insurance; requiring refund of unearned premium on cancellation of certain automobile insurance policies; amending Minnesota Statutes 1976, Section 65B.14; and Chapter 65B, by adding sections.

House File No. 259 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 19, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 259

A bill for an act relating to insurance; requiring refund of unearned premium on cancellation of certain automobile insurance policies; amending Minnesota Statutes 1976, Section 65B.14; and Chapter 65B, by adding sections.

May 18, 1977

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

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 259 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F.No. 259 be amended as follows:

Page 3, line 10, strike "No"

Page 3, line 11, after "insurance" insert "pursuant to sections 65B.15 and 65B.16"

Page 3, line 11, after "shall" insert "not"

Page 3, line 14, delete "certified"

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

House Conferees: (Signed) Randy C. Kelly, Ted Suss, and Michael George.

Senate Conferees: (Signed) Sam G. Solon, Jack I. Kleinbaum, and Steve Engler.

Mr. Solon moved that the foregoing recommendations and Conference Committee Report on H. F. No. 259 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. 259: A bill for an act relating to insurance; requiring refund of unearned premium on cancellation of certain automobile insurance policies; amending Minnesota Statutes 1976, Section 65B.14; and Chapter 65B, by adding sections.

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

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

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Gunderson	Lewis	Perpich	Sillers
Benedict	Hanson	Luther	Peterson	Solon
Bernhagen	Johnson	McCutcheon	Pillsbury	Staples
Brataas	Keefe, J.	Menning	Purfeerst	Stokowski
Chmielewski	Keefe, S.	Milton	Renneke	Strand
Coleman	Kirchner	Moe	Schmitz	Tennessee
Davies	Kleinbaum	Nelson	Schrom	Ulland, J.
Dieterich	Knoll	Nichols	Setzepfandt	Vega
Engler	Laufenburger	Olhoff	Sieloff	Wegener
Gearty	Lessard	Penny	Sikorski	

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

SPECIAL ORDER

Pursuant to Rule 10, Mr. Coleman, Chairman of the Subcommittee on Bill Scheduling, designated H. F. No. 1215 a Special Order to be heard immediately.

H. F. No. 1215: A bill for an act relating to environmental protection; prohibiting transportation of radioactive wastes into Minnesota for purposes of storage or disposal; providing exceptions; prescribing penalties.

Mr. Luther moved to amend H. F. No. 1215 as follows:

Page 1, line 9, strike "3" and insert "4"

Page 1, strike lines 11 to 22 and insert:

"Subd. 2. "By-product nuclear material" means any material, except special nuclear material, yielded in or made radioactive by:

(a) Exposure to the radiation incident to the process of producing or utilizing special nuclear material; or

(b) Exposure to radiation produced or accelerated in an atomic or sub-atomic particle accelerating machine."

Page 2, strike lines 1 to 2

Page 2, line 3, strike "5" and insert "3"

Page 2, after line 5, insert:

"Subd. 4. "Radiation" means any or all of the following: alpha rays, beta rays, gamma rays, high energy neutrons or protons or electrons, and other atomic particles, but not x-rays and electromagnetic radiations of wavelengths greater than 2,000 Angstrom units and sound waves.

Subd. 5. "Radioactive material" means any matter which emits radiation. Radioactive material includes special nuclear material, source nuclear material, and by-product nuclear material."

Page 2, strike lines 7 to 15 and insert:

"(a) Useless or unwanted capturable radioactive residues produced incidental to the use of radioactive material; or

(3) Useless or unwanted radioactive material; or

(c) Otherwise non-radioactive material made radioactive by contamination with radioactive material.

Radioactive waste does not include discharges of radioactive effluents to air or surface water when subject to applicable federal or state regulations or excreta from persons undergoing medical diagnosis or therapy with radioactive material or naturally occurring radioactive isotopes.

Subd. 7. "Radioactive waste management facility" means a geographic site, including buildings, structures, and equipment in or upon which radioactive waste is retrievably or irretrievably disposed by burial in soil or permanently stored."

Page 2, line 16, strike "7" and insert "8"

Page 2, line 21, after "Source" insert "nuclear"

Page 2, line 23, strike "8" and insert "9"

Page 2, after line 31, insert:

"Sec. 2. [116C.72] [RADIOACTIVE WASTE MANAGEMENT FACILITY.] Notwithstanding any provision of Minnesota Statutes, Chapter 116H, to the contrary, no person shall construct or operate a radioactive waste management facility within Minnesota unless expressly authorized by the Minnesota legislature."

Page 3, line 3, strike "sole"

Page 3, line 4, strike "disposing or storing the wastes within the state" and insert "disposal by burial in soil or permanent storage within Minnesota unless expressly authorized by the Minnesota legislature,"

Page 3, line 5, strike "such" and insert "radioactive"

Page 3, line 5, strike "and stored" and insert "for temporary storage"

Page 3, line 6, strike "rules" and insert "law"

Page 3, line 7, strike "for" and insert a period

Page 3, strike line 8

Page 3, line 9, strike "causing" and insert "who violates section 2 or who causes"

Page 3, line 10, strike "2" and insert "3"

Renumber the sections and proposed coding in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "prohibiting the construction or operation of radioactive waste management facilities within Minnesota;"

The motion prevailed. So the amendment was adopted.

Mr. Pillsbury moved to amend H. F. No. 1215 as follows:

Pages 2 and 3, strike sections 2 and 3.

Renumber the remaining section

Amend the title as follows:

Line 2, strike “; prohibiting”

Strike lines 3 and 4

Line 5, strike everything except the period

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 8 and nays 34, as follows:

Those who voted in the affirmative were:

Bernhagen	Frederick	Pillsbury	Schrom	Wegener
Brataas	Gunderson	Renneke		

Those who voted in the negative were:

Benedict	Hanson	Menning	Schaaf	Stokowski
Chmielewski	Johnson	Milton	Setzepfandt	Strand
Coleman	Keefe, S.	Nelson	Sieloff	Stumpf
Davies	Laufenburger	Olhoft	Sikorski	Tennessee
Dieterich	Lessard	Penny	Sillers	Ulland, J.
Engler	Lewis	Perpich	Spear	Vega
Gearty	Luther	Peterson	Staples	

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

H. F. No. 1215 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 41 and nays 16, as follows:

Those who voted in the affirmative were:

Benedict	Johnson	Milton	Peterson	Staples
Borden	Keefe, S.	Moe	Schaaf	Stokowski
Chmielewski	Knoll	Nelson	Schmitz	Strand
Coleman	Lessard	Nichols	Sieloff	Stumpf
Davies	Lewis	Olhoft	Sikorski	Tennessee
Dieterich	Luther	Olson	Sillers	Ulland, J.
Gearty	McCutcheon	Penny	Solon	Vega
Hanson	Menning	Perpich	Spear	Willet
Humphrey				

Those who voted in the negative were:

Bang	Frederick	Kleinbaum	Pillsbury	Schrom
Bernhagen	Gunderson	Knutson	Purfeerst	Setzepfandt
Brataas	Jensen	Laufenburger	Renneke	Wegener
Engler				

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

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.

APPOINTMENTS

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

H. F. No. 1582, pursuant to the request of the House:

Messrs. Schaaf, McCutcheon, and Perpich.

S. F. No. 124, pursuant to the request of the Senate:

Messrs. Lewis, Sikorski, and Kirchner.

H. F. No. 937, pursuant to the request of the House:

Messrs. Stumpf, Dieterich, and Sieloff.

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

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Schaaf moved that S. F. No. 703, No. 41 on General Orders, be returned to its author. The motion prevailed.

Mr. Schaaf moved that S. F. No. 100, No. 40 on General Orders, be returned to its author. The motion prevailed.

Mr. Coleman moved that the Senate do now adjourn until 10:30 o'clock a.m., Saturday, May 21, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTIETH DAY

St. Paul, Minnesota, Saturday, May 21, 1977

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. The following Senators answered to their names:

Ashbach	Frederick	Laufenburger	Pillsbury	Staples
Bang	Gearty	Lessard	Renneke	Strand
Benedict	Gunderson	Lewis	Schmitz	Tennessee
Bernhagen	Hanson	Nelson	Schrom	Ueland, A.
Chmielewski	Hughes	Ogdahl	Setzepfandt	Ulland, J.
Coleman	Jensen	Olhoft	Sikoraki	Vega
Davies	Johnson	Olson	Sillers	Wegener
Dieterich	Kirchner	Penny	Solon	Willet
Engler	Kleinbaum	Perpich	Spear	

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

Prayer was offered by the Chaplain, Divinity Student, Kevin McDonough.

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

Anderson	Frederick	Laufenburger	Penny	Spear
Ashbach	Gearty	Lessard	Perpich	Staples
Bang	Gunderson	Lewis	Peterson	Stokowski
Benedict	Hanson	Luther	Pillsbury	Strand
Bernhagen	Hughes	McCutcheon	Purfeerst	Stumpf
Borden	Humphrey	Menning	Renneke	Tennessee
Brataas	Jensen	Merriam	Schaaf	Ueland, A.
Chenoweth	Johnson	Milton	Schmitz	Ulland, J.
Chmielewski	Keefe, J.	Moe	Schrom	Vega
Coleman	Keefe, S.	Nelson	Setzepfandt	Wegener
Davies	Kirchner	Nichols	Sieloff	Willet
Dieterich	Kleinbaum	Ogdahl	Sikoraki	
Dunn	Knoll	Olhoft	Sillers	
Engler	Knutson	Olson	Solon	

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. Olhoft was excused from the Session of today from 11:00 o'clock a.m. to 1:00 o'clock p.m.

Mr. Menning was excused from the Session of today until 1:30 o'clock p.m.

Mr. Ueland, A. was excused from the Session of today at 5:30 o'clock p.m. Mr. Pillsbury was excused from the Session of today at 5:45 o'clock p.m.

Pursuant to Rule 21, Mr. Tennesen moved that the following members be excused for a Conference Committee on S. F. No. 311 at 11:00 a.m.:

Messrs. Tennesen, Davies and Dieterich. The motion prevailed.

Pursuant to Rule 21, Mr. Merriam moved that the following members be excused for a Conference Committee on S. F. No. 896 from 10:30 to 11:15 a.m.:

Messrs. Merriam, Anderson, Dunn, Olhoft and Luther. The motion prevailed.

Pursuant to Rule 21, Mr. Moe moved that the following members be excused for a Conference Committee on H. F. No. 1051:

Messrs. Moe, Coleman and Keefe, S. The motion prevailed.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 19, 1977

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

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1977 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 1977	Date Filed 1977
32		90	May 18	May 18
51		91	May 18	May 18
845		92	May 18	May 18
	42	93	May 18	May 18
	54	94	May 18	May 18
	75	95	May 18	May 18
	300	96	May 18	May 18
	307	97	May 18	May 18
	308	98	May 18	May 18
	337	99	May 18	May 18
	414	100	May 18	May 18
	502	101	May 18	May 18
	521	102	May 18	May 18
	531	103	May 18	May 18
	787	104	May 18	May 18
	882	105	May 18	May 18
	888	106	May 18	May 18

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May 18Sincerely,
Joan Anderson Growe
Secretary of State

May 19, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives
The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1977 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 1977	Date Filed 1977
	139	109	May 19	May 19
	188	110	May 19	May 19
	229	111	May 19	May 19
	326	112	May 19	May 19
	334	113	May 19	May 19
	439	114	May 19	May 19
	525	115	May 19	May 19
	563	116	May 19	May 19
	598	117	May 19	May 19
	707	118	May 19	May 19
	805	119	May 19	May 19
	1005	120	May 19	May 19
	1006	121	May 19	May 19
	1130	122	May 19	May 19
	1248	123	May 19	May 19
	1469	124	May 19	May 19
13		125	May 19	May 19
69		126	May 19	May 19
78		127	May 19	May 19
99		128	May 19	May 19
166		129	May 19	May 19
188		130	May 19	May 19
213		131	May 19	May 19
319		132	May 19	May 19
335		133	May 19	May 19
465		134	May 19	May 19
498		135	May 19	May 19
499		136	May 19	May 19
616		137	May 19	May 19
667		138	May 19	May 19
721		139	May 19	May 19
737		140	May 19	May 19
769		141	May 19	May 19
827		142	May 19	May 19
831		143	May 19	May 19

833	144	May 19	May 19
880	145	May 19	May 19
903	146	May 19	May 19
905	147	May 19	May 19
914	148	May 19	May 19
916	149	May 19	May 19
919	150	May 19	May 19
930	151	May 19	May 19
963	152	May 19	May 19
967	153	May 19	May 19
969	154	May 19	May 19
970	155	May 19	May 19
972	156	May 19	May 19
973	157	May 19	May 19
1103	158	May 19	May 19
1138	159	May 19	May 19
1140	160	May 19	May 19
1164	161	May 19	May 19
1166	162	May 19	May 19
1234	163	May 19	May 19
1369	164	May 19	May 19
1382	165	May 19	May 19
1423	166	May 19	May 19

Sincerely,
Joan Anderson Growe
Secretary of State

May 20, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives
The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1977 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 1977	Date Filed 1977
	103	167	May 19	May 19
	621	168	May 19	May 19
	685	169	May 19	May 19
	777	170	May 19	May 19
	1099	171	May 19	May 19
	1364	172	May 19	May 19
125		173	May 19	May 19
760		174	May 19	May 19
1014		175	May 19	May 19
1017		176	May 19	May 19

Sincerely,
Joan Anderson Growe
Secretary of State

May 20, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 96, 147, 191, 218, 254, 296, 368, 380, 388, 442, 466, 556, 562, 581, 586, 587, 628, 683, 719, 720, 722, 767, 816, 860, 964, 968, 1051, 1064, 1127, 1196, 1291, and 1298.

Sincerely,
Rudy Perpich, Governor

May 20, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 23, 143, 226, 557, and 922.

Sincerely,
Rudy Perpich, Governor

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Chenoweth and Stumpf introduced—

S. F. No. 1551: A bill for an act relating to education; teachers; providing continuing contract and tenure rights for certain athletic coaches; amending Minnesota Statutes 1976, Section 125.12, by adding a subdivision; and 125.17, Subdivision 1.

Referred to the Committee on Education.

Messrs. Knoll, Sikorski, Mrs. Staples, Messrs. Chenoweth and Benedict introduced—

S. F. No. 1552: A bill for an act relating to metropolitan government; providing for election of the chairman and other members of the council; amending Minnesota Statutes 1976, Section 473.123, Subdivisions 2 and 3, and by adding subdivisions.

Referred to the Committee on Governmental Operations.

Messrs. Pillsbury, Purfeerst, Schmitz and Keefe, J. introduced—

S. F. No. 1553: A bill for an act relating to metropolitan government; providing for candidate screening committees for each

metropolitan district; removing the city of New Prague from the metropolitan area and the metropolitan transit area; amending Minnesota Statutes 1976, Sections 473.123, Subdivisions 2, 3, and by adding a subdivision; 473.403; and 473F.02, Subdivisions 2 and 8.

Referred to the Committee on Governmental Operations.

Messrs. Chenoweth, Perpich, Nelson and Schaaf introduced—

S. F. No. 1554: A bill for an act relating to financial institutions; providing for reporting of investments in real estate mortgages by financial institutions; providing penalties.

Referred to the Committee on Commerce.

Messrs. Ulland, J.; Willet; Schrom; Mrs. Brataas and Mr. Johnson introduced—

S. F. No. 1555: A bill for an act relating to highway traffic regulations; requiring motorcycle helmets; amending Minnesota Statutes 1976, Section 169.974, Subdivisions 2, as amended and 4, as amended; repealing Laws 1977, Chapter 17, Sections 3 and 5.

Referred to the Committee on Transportation.

Mr. Sikorski; Mrs. Staples, Messrs. Nelson, Setzepfandt and Perpich introduced—

S. F. No. 1556: A bill for an act relating to health care; providing catastrophic health expense protection for the treatment of hemophilia; amending Minnesota Statutes 1976, Section 62E.52, Subdivision 3.

Referred to the Committee on Health, Welfare and Corrections.

Messrs. Johnson, Willet, Kleinbaum, Mrs. Brataas and Mr. Setzepfandt introduced—

S. F. No. 1557: A bill for an act relating to taxation; property tax status of property acquired by a municipality for airport purposes; amending Minnesota Statutes 1976, Section 272.68, Subdivision 3.

Referred to the Committee on Local Government.

Messrs. Hanson, Moe, Peterson, Purfeerst and Setzepfandt introduced—

S. F. No. 1558: A bill for an act relating to taxation; providing for the preservation of agricultural land; providing for assessment of agricultural land designated for preservation according to its agricultural income potential value; providing for the deferral of special local assessments on agricultural land designated for preservation; requiring local comprehensive plans; providing for payment of back taxes when agricultural land ceases to be designated for preservation; providing for a withdrawal penalty; ending re-

duced assessment and special assessment deferral; repealing Minnesota Statutes 1976, Section 273.111.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Johnson introduced—

S. F. No. 1559: A bill for an act relating to pollution control; providing for publication in the state register of certain behind schedule and substandard wastewater treatment projects.

Referred to the Committee on Agriculture and Natural Resources.

Mr. McCutcheon introduced—

S. F. No. 1560: A bill for an act relating to private detectives and protective agents; licensing requirements and eligibility; amending Minnesota Statutes 1976, Sections 326.32, by adding a subdivision; 326.331; 326.333; 326.336, Subdivision 1; and 326.338, by adding a subdivision.

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. 830: A bill for an act relating to the city of Duluth; authorizing the imposition of an additional tax on certain sales of food and drink; amending Laws 1973, Chapter 461, Section 1.

Senate File No. 830 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 20, 1977

CONCURRENCE AND REPASSAGE

Mr. Solon 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 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called and there were yeas 40 and nays 8, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Laufenburger	Perpich	Staples
Bang	Hanson	Leasard	Peterson	Stokowski
Benedict	Hughes	Lewis	Purfeerst	Stumpf
Chmielewski	Jensen	McCutcheon	Renneke	Ueland, A.
Dieterich	Johnson	Nelson	Schmitz	Ulland, J.
Engler	Kirchner	Nichols	Sillers	Vega
Frederick	Kleinbaum	Ogdahl	Solon	Wegener
Gearty	Knoll	Olson	Spear	Willet

Those who voted in the negative were:

Bernhagen	Penny	Setzepfandt	Strand	Tennessee
Davies	Pillsbury	Sikoraki		

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. 655: A bill for an act relating to appropriations; providing funding for the continued operation of detached worker programs for assistance to young people.

Senate File No. 655 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1977

CONCURRENCE AND REPASSAGE

Mr. Humphrey moved that the Senate concur in the amendments by the House to S. F. No. 655 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 655 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 45 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gunderson	Knoll	Perpich	Staples
Bang	Hanson	Laufenburger	Peterson	Stokowski
Benedict	Hughes	Lewis	Pillsbury	Strand
Bernhagen	Humphrey	McCutcheon	Purfeerst	Stumpf
Chmielewski	Jensen	Nelson	Renneke	Ueland, A.
Davies	Johnson	Nichols	Schmitz	Ulland, J.
Engler	Keefe, J.	Ogdahl	Setzepfandt	Vega
Frederick	Kirchner	Olson	Sikoraki	Wegener
Gearty	Kleinbaum	Penny	Sillers	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. 1165: A bill for an act relating to natural resources; state parks; requiring compatible uses of private lands within state parks; providing the commissioner of natural resources with authority to enforce compatible use standards; providing for the acquisition of private land within parks; amending Minnesota Statutes 1976, Chapter 85, by adding a section.

Senate File No. 1165 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1977

Mr. Willet moved that S. F. No. 1165 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. 65: A bill for an act relating to crimes and corrections; sentencing and post conviction disposition of criminal offenders; transferring the powers and duties of the Minnesota corrections board to the commissioner of corrections; abolishing the Minnesota corrections board; providing for determinate sentencing; providing for a mutual agreement program; appropriating money; amending Minnesota Statutes 1976, Sections 152.15, Subdivisions 1, 2 and 3; 299F.811; 299F.815, Subdivision 1; 401.13; 609.03; 609.10; 609.135, Subdivisions 1 and 2; 609.145, Subdivision 1; 609.165, Subdivision 2; 609.17, Subdivision 4; 609.175, Subdivision 2; 609.18; 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; 609.31; 609.32; 609.342; 609.343; 609.344; 609.345; 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; 609.466; 609.48, Subdivisions 1 and 4; 609.485, Subdivision 4; 609.495, Subdivision 1; 609.498, Subdivision 1; 609.52, Subdivisions 2 and 3; 609.521; 609.525, Subdivision 1; 609.53, Subdivisions 1 and 3; 609.54; 609.55, Subdivision 2; 609.551, Subdivision 1; 609.561; 609.562; 609.563, Subdivision 1; 609.576; 609.58, Subdivision 2; 609.59; 609.595, Subdivision 1; 609.60; 609.611; 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; and Chapter 609, by adding a section; repealing Minnesota Statutes 1976, Sections 152.15, Subdivisions 4 and 5; 241.045; 242.24; 243.06; 243.14; 243.18; 246.43; 609.11; 609.155; 609.16; 609.293, Subdivisions 2, 3, and 4; and 609.346.

Senate File No. 65 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 20, 1977

Mr. McCutcheon moved that S. F. No. 65 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. 321, 472, 514 and 1236.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 20, 1977

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. 311: A bill for an act relating to courts; providing for the selection of chief judges; permitting the assignment of judges to serve in other judicial districts; prescribing duties of the chief justice; providing for the rotation of the duties of family court in Hennepin county; providing for the rotation of the duties of the court of juvenile court in Hennepin and Ramsey counties; prescribing duties of the supreme court administrator; providing continuous terms of court; providing for the payment of judges' salaries and expenses; abolishing de novo jurisdiction of district courts when hearing appeals; creating the office of district administrator; abolishing the office of justice of the peace; providing for appellate panels in district court; providing for the compensation of certain judges upon compliance with certain provisions of the law; amending Minnesota Statutes 1976, Sections 2.724; 260.021, Subdivisions 2 and 3; 480.15, by adding subdivisions; 480.17; 480.18; 484.08; 484.34; 484.54; 484.62; 484.63; 484.65, Subdivisions 1 and 6; 484.66; 485.01; 485.018, by adding a subdivision; 487.01, Subdivisions 1, 3, 5 and 6; 487.02, Subdivision 1; 487.08; 487.25, Subdivision 6; 487.35, Subdivision 1; 487.39; 488.20; 488A.01, Subdivision 10 and by adding a subdivision; 488A.021, Subdivision 8; 488A.10, Subdivisions 1 and 6; 488.111; 488A.12, Subdivision 5; 488A.18, Subdivision 11 and by adding a subdivision; 488A.19, Subdivision 10; 488A.27, Subdivisions 1 and 6; 488A.281; 488A.29, Subdivision 5; and 525.081, Subdivision 7; Chapters 480, by add-

ing a section; 484, by adding a section; 487, by adding a section; and Laws 1977, Chapter 35, Section 18; repealing Minnesota Statutes 1976, Sections 484.05; 484.09; 484.10; 484.11; 484.12; 484.13; 484.14; 484.15; 484.16; 484.17; 484.18; 484.28; 484.29; 484.47; 485.02; 487.03, Subdivision 4; 487.10, Subdivision 6; 487.35, Subdivisions 2, 3, 4, 5 and 6; 487.39, Subdivision 3; 487.41; 488A.01, Subdivision 11; 488A.021, Subdivision 7; 488A.18, Subdivision 12; 488A.19, Subdivisions 8 and 9; 490.124, Subdivision 7; and Chapters 530; 531; 532; and 633.

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

Voss; Sieben, H. and Beauchamp.

Senate File No. 311 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 20, 1977

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. 381 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 381: A bill for an act relating to game and fish; changing the commissioner's duties in the removal of beaver; authorizing seasons for taking bobcat, fisher, fox, and wild turkey; requiring the commissioner to issue sportsmen's licenses; extending the season and eliminating the annual limit for taking beaver; changing the hours for taking trout; extending the surcharge on small game licenses; amending Minnesota Statutes 1976, Sections 97.56; 98.46, Subdivisions 2, 2a, and 14; 100.26, Subdivision 1; 100.27 Subdivisions 1; 3, 4, 5, and 7; 100.28, Subdivision 1; 101.42, Subdivision 8; and Laws 1961, Chapter 66, Section 1, as amended; repealing Minnesota Statutes 1976, Section 348.071.

Senate File No. 381 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 20, 1977

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. 583 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 583: A bill for an act relating to insurance companies; prescribing penalties for violation of certain filing requirements; amending Minnesota Statutes 1976, Chapter 72A, by adding a section; repealing Minnesota Statutes 1976, Section 72A.06.

Senate File No. 583 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 20, 1977

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. 742 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 742: A bill for an act relating to waters; allowing counties to exercise certain functions; increasing membership on the governing body of the White Bear Lake conservation district; providing for selection of board officers; amending Minnesota Statutes 1976, Section 378.32, Subdivision 1; Laws 1971, Chapter 355, Sections 2, Subdivision 2; and 8, Subdivision 1.

Senate File No. 742 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1977

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. 181 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 181: A bill for an act relating to retirement; increasing the size of the boards of trustees of the public employees retirement association, Minnesota state retirement system, teachers retirement system and Minneapolis municipal employees retirement board; providing for election processes; survivor benefits for deceased legislators; making miscellaneous changes in the public employees retirement association provisions; amending Minnesota Statutes 1976, Sections 3A.04, Subdivision 1, and by adding a subdivision; 352.03, Subdivisions 1, 2, and by adding a subdivision; 353.01, Subdivisions 2a, 2b, 6, 15, and 20; 353.03, Subdivision 1; 353.27, Subdivision 4; 353.29, Subdivisions 4 and 8; 353.31, Subdivision 8; 353.32, Subdivision 7; 353.33, Subdivisions 1, 9 and 11; 353.36, Subdivision 2; 353.37; 353.46, by adding a subdivision; and 353.651, Subdivision 3; 354.05, by adding a subdivision; 354.06, Subdivision 1; 422A.02; and 422A.03, Subdivision 1; repealing Minnesota Statutes 1976, Sections 353.016; 353.018; 353.019; 353.03, Subdivision 2a; 353.31, Subdivision 11; 353.36, Subdivision 2d; 353.46, Subdivision 3; and 353.64, Subdivision 5.

Senate File No. 181 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 20, 1977

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. 274 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 274: A bill for an act relating to natural resources; authorizing additions to and deletions from certain state parks; authorizing land acquisition in relation thereto; amending Laws 1945, Chapter 484, Section 1, as amended.

Senate File No. 274 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 20, 1977

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. 109 and repassed said bill in accordance with the report of the Committee, so adopted.

S. 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 be appointed by and shall serve at the pleasure of the appointing authority; providing for the succession of commissioners; limiting the ability of former commissioners and former deputy commissioners to appear before their former agencies; defining position and duties of deputy department heads; standardizing the format and procedures relating to executive orders and reorganization orders; prescribing uses for executive orders; limiting the scope of reorganization orders; abolishing the board of health and transferring its powers to the commissioner of health; creating a health advisory council; eliminating obsolete language; amending Minnesota Statutes 1976, Sections 15.051, Subdivisions 1 and 3; 15.06; 16.01; 16.125; 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, Subdivision 1; 129A.02, Subdivision 2; 174.02, Subdivision 1; 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; 362.09, Subdivision 1; 363.04, Subdivision 1; 462A.04, Subdivision 8; and Chapter 144, by adding a section; repealing Minnesota Statutes 1976, Sections 16.13; 121.07; 121.08; 121.10; 121.16, Subdivision 2; 144.01; 144.02; 144.03; 144.04; 175.001, Subdivision 4; and 216A.06, Subdivision 2.

Senate File No. 109 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 20, 1977

Mr. President:

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

H. F. No. 1.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 20, 1977

FIRST READING OF HOUSE BILLS

The following bill was read the first time and referred to the committee indicated.

H. F. No. 1: A bill for an act relating to public health and welfare; establishing a formula for allocating state funds to counties for community health and social service programs; prescribing county duties; providing for community health and social service tax levies; prescribing duties of the commissioner of public welfare; appropriating money; amending Minnesota Statutes 1976, Sections 144.065; 145.55, Subdivision 1; 145.912; 145.913, Subdivision 1; 145.914; 145.915; 145.916; 145.918, Subdivision 1; 145.922, Subdivision 2; 245.70; 252.22; 252.23; 252.26; 252.27, Subdivision 1; 253A.02, by adding a subdivision; 253A.07, Subdivisions 1 and 7; 253A.09, Subdivision 1; 253A.10, Subdivision 4; 253A.14, Subdivision 1; 253A.15, Subdivisions 6, 11, 12 and 13; 254A.05, Subdivision 1; 254A.07, Subdivisions 1 and 2; 254A.08, Subdivision 1; 256.12, Subdivision 9; 256.871, Subdivision 5; 256.95; 260.251, Subdivision 1a; 275.50, Subdivision 5; 393.07, Subdivisions 2 and 3; 477A.01, Subdivision 2; 626.556, Subdivision 2; repealing Minnesota Statutes 1976, Sections 145.912, Subdivisions 15, 16 and 18; 145.913, Subdivisions 2 and 3; 145.917; 145.918, Subdivision 2; 145.919; 145.92, Subdivision 2; 145.921; 245.61; 245.62; 245.63; 245.64; 245.65; 245.66; 245.67; 245.68; 245.69; 245.691; 245.72; 245.83; 245.84; 245.85; 245.86; 245.87; 252.21; 252.24; 252.25; 254A.02, Subdivision 12; 254A.07, Subdivision 3; 254A.08, Subdivision 3; 254A.12; 254A.14; 254A.15; 254A.16; 254A.17; 393.01; 393.02; 393.03; 393.04; 393.06; 393.07, Subdivision 8; 393.08; 393.09; 393.11.

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. The motion prevailed.

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

H. F. No. 420 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
420	185				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 420 be amended as follows:

Page 2, line 32, strike "in the judgment of" and insert "*pursuant to rules promulgated by*"

Page 3, line 1, strike "commissioner" and insert "*state board*" and after "education" insert a comma

Page 3, line 4, after "of" strike "the" and strike "therein. The" and insert "in"

Page 3, line 5, strike "shall meet" and insert "in which case"

Page 3, line 6, delete the semicolon and insert "shall apply"

Page 3, delete lines 7 to 11 except the period on line 11

Delete page 3, line 12 to page 4, line 1 and insert

"Sec. 2. *This act is effective the day after final enactment.*"

Further, amend the title as follows:

Lines 2 to 4, delete "Montessori schools; excluding Montessori schools from day care regulations; appropriating money;" and insert "excluding facilities operated for the primary purpose of educating children from day care regulation;"

And when so amended, H. F. No. 420 will be identical to S. F. No. 185 and further recommends that H. F. No. 420 be given its second reading and substituted for S. F. No. 185 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. 1236 for comparison to companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H. F. No.	S. F. No.	H. F. No.	S. F. No.	H. F. No.	S. F. No.
1236	1201				

Pursuant to Rule 49 the Committee on Rules and Administration recommends that H. F. No. 1236 be amended as follows:

Strike everything after the enacting clause and insert

"Section 1. Minnesota Statutes 1976, Chapter 105, is amended by adding a section to read:

[105.401] [WATER PLANNING BOARD.] *Subdivision 1. [MEMBERSHIP, OFFICERS, STAFF.] There is created in the executive branch of the state government a water planning board. The members of the board are: (1) the commissioner of natural resources; (2) the commissioner of health; (3) the director of the pollution control agency; (4) the commissioner of agriculture; (5) the director of the energy agency; and (6) the chairman of the state soil and water conservation board, or their designees. The governor shall appoint the chairperson of the board, with the advice and consent of the senate to serve at the pleasure of the governor for a four year term coterminous with the term of the governor. The chairperson shall not be a representative of the state*

agencies listed, but shall be the seventh member of the board and also shall represent the governor on the federal-state river basin commissions. The board shall supersede and replace the Minnesota water resources council created by executive order of the governor.

Subd. 2. [DUTIES.] The board shall perform the following duties:

(1) Direct the preparation of the framework water and related land resources plan proposed to the legislative commission on Minnesota resources in October, 1976, if so requested by the commission;

(2) Assure the participation of the public and of all units of government in the preparation and implementation of all state water resource planning activities;

(3) Direct all state involvement in activities undertaken pursuant to the federal Water Resource Planning Act, Public Law 89-80, including but not limited to administration of Title III funding;

(4) Evaluate state participation in the federal-state river basin commissions and make recommendations to the governor and the legislature concerning continued state involvement;

(5) Evaluate and recommend improvements in state laws, rules and procedures in order to reduce overlap, duplication or conflicting jurisdictions among the many state and interstate agencies having jurisdiction in the area of public water resource management and regulation; and

(6) Coordinate public water resource management and regulation activities among the state agencies having jurisdiction in the area.

The chairperson of the board may seek the assistance of any public agency and may appoint subcommittees he deems necessary to properly discharge the duties of the board. The board shall meet quarterly, and at the request of three of its members or at the discretion of the chairperson. The final report of the board shall be delivered to the governor and the legislature before July 1, 1979. The board ceases to exist June 30, 1979.

Sec. 2. Minnesota Statutes 1976, Section 105.41, Subdivision 1a, is amended to read:

Subd. 1a. The commissioner shall submit to the legislature by January 1, 1975, for its approval, proposed rules governing the allocation of waters among potential water users. These rules shall be based on the following priorities for appropriation and use of water:

First priority. Domestic water supply, excluding industrial and commercial uses of municipal water supply. Agricultural irrigation, involving consumption in excess of 10,000 gallons per day.

Second priority. Any use of water that involves consumption of less than 10,000 gallons of water per day. For purposes of this sec-

tion "consumption" shall mean water withdrawn from a supply which is lost for immediate further use in the area.

Third priority. *Agricultural irrigation, involving consumption in excess of 10,000 gallons per day.*

Fourth priority. *Power production, involving consumption in excess of 10,000 gallons per day.*

Fourth priority. *Industrial and commercial uses, involving consumption in excess of 10,000 gallons per day.*

Fifth priority. *Other uses, involving consumption in excess of 10,000 gallons per day.*

Appropriation and use of surface water from streams during periods of flood flows and high water levels shall be encouraged subject to consideration of the purposes for use, quantities to be used, and the number of persons appropriating water.

Appropriation and use of surface water from lakes of less than 500 acres in surface area shall be discouraged.

Diversions of water from the state for use in other states or regions of the United States or Canada shall be discouraged, subject to the jurisdiction of the United States government.

No permit shall be issued under this section unless it is consistent with state, regional, and local water and related land resources management plans, provided that regional and local plans are consistent with statewide plans. *The commissioner shall not modify or restrict the amount of appropriation from a groundwater source authorized in a permit issued pursuant to section 105.44, subdivision 8, between May 1 and October 1 of any year, unless the commissioner determines the authorized amount of appropriation endangers any domestic water supply.*

Sec. 3. Minnesota Statutes 1976, Section 105.41, Subdivision 1, is amended to read:

105.41 [APPROPRIATION AND USE OF WATERS.] Subdivision 1. It shall be unlawful for the state, any person, partnership, or association, private or public corporation, county, municipality, or other political subdivision of the state to appropriate or use any waters of the state, surface or underground, without the written permit of the commissioner; ~~previously obtained upon written application therefor to the commissioner~~. Nothing in this section shall be construed to apply to the use of water for domestic purposes serving less than 25 persons. *The commissioner shall establish a statewide training program to provide training in the conduct of pumping tests and data acquisition programs.*

Sec. 4. Minnesota Statutes 1976, Section 105.41, is amended by adding a subdivision to read:

Subd. 6. Any appropriation or use permit may be transferred if the permittee conveys the real property where the source of water is located to the subsequent owner of the real property. The subsequent owner shall notify the commissioner of natural resources

immediately after an appropriation or use permit is transferred pursuant to this section.

Sec. 5. Minnesota Statutes 1976, Section 105.415, is amended to read:

105.415 [RULES GOVERNING PERMITS.] Notwithstanding the provision in section 105.41, subdivision 1a, stating that the commissioner of natural resources shall submit to the legislature by January 1, 1975, for its approval proposed rules governing the allocation of waters among potential water users, and notwithstanding the provision in section 105.42, subdivision 1a, stating that 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 the section, the commissioner shall prior to January 30, 1977 1978, adopt rules containing standards and criteria for the issuance and denial of the permits required by sections 105.41 and 105.42.

Sec. 6. Minnesota Statutes 1976, Section 105.44, Subdivision 1, is amended to read:

105.44 [PROCEDURE UPON APPLICATION.] Subdivision 1. [PERMIT.] Each application for a permit required by sections 105.37 to 105.55 shall be accompanied by maps, plans, and specifications describing the proposed appropriation and use of waters, or the changes, additions, repairs or abandonment proposed to be made, or the public water affected, and such other data as the commissioner may require. This data may include but not be limited to a statement of the effect the actions proposed in the permit application will have on the environment, such as: (a) changes in water and related land resources which are anticipated; (b) unavoidable but anticipated detrimental effects; (c) alternatives to the actions proposed in the permit. If the proposed activity, for which the permit is requested, is within a city, ~~or town~~, or is within or affects a watershed district *or a soil and water conservation district*, a copy of the application together with maps, plans and specifications shall be served on the secretary of the board of managers of the district *and the secretary of the board of supervisors of the soil and water conservation district* and on the ~~chief executive officer~~ *mayor* of the city ~~or town~~. Proof of such service shall be included with the application and filed with the commissioner.

Sec. 7. Minnesota Statutes 1976, Section 105.44, Subdivision 2, is amended to read:

Subd. 2. [AUTHORITY.] The commissioner is authorized to receive applications for permits and to grant the same, with or without conditions, or refuse the same as hereinafter set forth. Provided, that if the proposed activity for which the permit is requested is within a city ~~or town~~, or is within or affects a watershed district *or a soil and water conservation district* the commissioner may secure the written recommendation of the managers of said district *and the board of supervisors of the soil and water conservation district* or the ~~chief executive officer~~ *mayor* of the city ~~or town~~, before granting or refusing the permit. ~~Said managers~~ *The*

managers or supervisors or chief executive officers mayors shall file their recommendation within a reasonable time 30 days after receipt of a copy of the application for permit.

Sec. 8. Minnesota Statutes 1976, Section 105.44, Subdivision 3, is amended to read:

Subd. 3. [WAIVER OF HEARING.] The commissioner in his discretion may waive hearing on any application and make his order granting or refusing such application. In such case, if any application *be is granted*, with or without conditions, or *be is refused*, the applicant, the managers of the watershed district, *the board of supervisors of the soil and water conservation district*, or the *chief executive officer mayor* of the city or town may within 30 days after mailed notice thereof file with the commissioner a demand for hearing on the application *together with the bond required by subdivision 6*. The application shall thereupon be fully heard on notice as hereinafter provided, and determined the same as though no previous order had been made. If no demand for hearing be made, *or if a hearing is demanded but no bond is filed as required by subdivision 6*, the order shall become final at the expiration of 30 days after mailed notice thereof to the applicant, *the managers of the watershed district, the board of supervisors of the soil and water conservation district*, or the *chief executive officer mayor* of the city or town, and no appeal of the order may be taken to the district court.

Sec. 9. Minnesota Statutes 1976, Section 105.44, Subdivision 4, is amended to read:

Subd. 4. [TIME.] The commissioner shall act upon all applications, *except for appropriations for irrigation, pursuant to section 105.44, subdivision 8*, within 29 30 days after the application and all required data is filed in his office; either waiving hearing and making an order thereon or directing hearing thereon.

Sec. 10. Minnesota Statutes 1976, Section 105.44, Subdivision 5, is amended to read:

Subd. 5. [NOTICE.] The notice of hearing on any application shall recite the date, place and time fixed by the commissioner for the public hearing thereon and shall show the waters affected, the levels sought to be established or any control structures proposed. The notice shall be published by the commissioner at the expense of the applicant or, if the proceeding is initiated by the commissioner in the absence of an applicant, at the expense of the commissioner, once each week for two successive weeks prior to the day of hearing in a legal newspaper published in the county in which a part or all of the affected waters are located. Notice shall also be mailed by the commissioner to the county auditor and the *chief executive official mayor* of any municipality or *the watershed district and the soil and water conservation district* affected.

Sec. 11. Minnesota Statutes 1976, Section 105.44, Subdivision 6, is amended to read:

Subd. 6. [HEARING.] The hearings shall be public and shall

be conducted by the commissioner or a referee appointed by him. All affected persons shall have an opportunity to be heard. All testimony shall be taken under oath and the right of cross-examination shall be accorded. The commissioner shall provide a stenographer to take testimony and a record of the testimony and all proceedings at the hearing shall be taken and preserved. The commissioner shall not be bound by judicial rules of evidence or of pleading and procedure. Except where a public hearing is demanded by a public authority which is not the applicant, the applicant shall pay the following *if the commissioner's action is affirmed without material modification* : (1) Costs of the stenographic record and transcript, (2) Rental expenses, if any, of the place of hearing, (3) Costs of publication of orders made by the commissioner.

Where the public hearing is demanded by a public authority which is not the applicant, the public authority making the demand shall pay the costs and expenses listed above *if the commissioner's action is affirmed without material modification* . An applicant filing a demand for a public hearing shall execute and file a corporate surety bond or equivalent security to the state of Minnesota, to be approved by the commissioner, and in an amount and form fixed by the commissioner. The bond or security shall be conditioned for the payment of all costs and expenses of the public hearing if the commissioner's action taken pursuant to subdivision 2 is affirmed without *material modification*. No bond or security is required of a public authority which demands a public hearing. The commissioner, in his discretion, may waive the requirement for a bond or other security.

Sec. 12. Minnesota Statutes 1976, Section 105.44, Subdivision 8, is amended to read:

Subd. 8. [PERMIT TO IRRIGATE AGRICULTURAL LAND.]
When an application for permit to irrigate agricultural land from public waters is made, a general statement in the application of the purpose of the proposed use of public waters and the acreage to be irrigated shall be sufficient compliance with the requirements of subdivision 1 with respect to maps, plans and specifications, unless the commissioner reasonably may require additional specified information within ten days of the filing of the application. In any such case the commissioner shall make his order granting the application unless he finds after hearing that granting thereof would be against the public interest or would deprive another than the applicant of the share of public water which such other has requested and to which he is entitled. *upon receipt the commissioner shall send a copy of the permit application to the local soil and water conservation district in which the proposed appropriation is located. The soil and water conservation district may make recommendations to the commissioner regarding the disposition of the application and its compatibility to a comprehensive soil and water conservation plan approved pursuant to section 40.07, subdivision 9, within 30 days of the receipt of the application. Within 30 days of the date of the application the commissioner may require additional specific information from the applicant.*

Upon receipt of all additional specific information required of the applicant, the commissioner shall have an additional 60 days to review that information, consider the soil and water conservation recommendations and decide whether to grant or deny the permit; provided that if the commissioner orders a hearing, then the time within which he must grant or deny the application shall be ten days after receipt of the report of the hearing officer. In the case of an application for permit to irrigate agricultural land, failure of the commissioner to act thereon by granting or denial or other hearing thereon within 30 days after filing of the application, or in case the commissioner has reasonably required additional specified information than that given in the application within 20 days after the filing of such additional information the specified time period, shall be deemed an order granting the application. This order shall be deemed granted ten days after the applicant has given written notice to the commissioner stating his intention to proceed with the appropriation.

Sec. 13. Minnesota Statutes 1976, Section 105.44, Subdivision 10, is amended to read:

Subd. 10. [PERMIT FEES.] Each application for a permit authorized by sections 105.37 to 105.64, shall be accompanied by a permit application fee in the amount of \$15 to defray the costs of receiving, recording, and processing the application. *The commissioner may charge an additional permit application fee in excess of the fee specified above, in accordance with a schedule of fees adopted by rules promulgated in the manner provided by chapter 15, which fee schedule shall be based upon the project's cost and the complexity of the permit applied for.*

For projects requiring a mandatory environmental assessment pursuant to chapter 116D the commissioner may charge an additional field inspection fee of not less than \$25 for each permit applied for under sections 105.37 to 105.64. The commissioner shall establish pursuant to rules and regulations adopted in the manner provided by chapter 15, a schedule for field inspection fees which shall include actual costs related to field inspection such as investigations of the area affected by the proposed activity, analysis of the proposed activity, consultant services, and subsequent monitoring, if any, of the activity authorized by the permit.

Except as provided below, the commissioner may not issue a permit until all fees required by this section relating to the issuance of a permit have been paid. The time limits prescribed by subdivision 4, do not apply to an application for which the appropriate fee has not been paid. Field inspection fees relating to monitoring of an activity authorized by a permit may be charged and collected as necessary at any time after the issuance of the permit. No permit application or field inspection fee may be refunded for any reason, even if the application is denied or withdrawn. No permit application or field inspection fee may be imposed on any state agency, as defined in section 16.011, or federal governmental agency applying for a permit.

Sec. 14. Minnesota Statutes 1976, Section 105.462, is amended to read:

105.462 [INVESTIGATIONS; ORDERS WITHOUT A PERMIT APPLICATION.] When the commissioner determines that the public interest so requires, he may investigate on his own motion any activities being conducted in relation to public waters without a permit as required by sections 105.37 to 105.55. With or without a public hearing the commissioner may make findings and issue orders as otherwise may be issued pursuant to sections 105.37 to 105.55. A copy of his findings and order shall be served upon the person to whom the order is issued. *If the commissioner issues his findings and order without a hearing, the person to whom the order is issued may file with the commissioner a demand for a hearing, together with the bond required by section 105.44, subdivision 6, within 30 days after being served with a copy of the commissioner's order. Thereafter the matter shall be heard in the same manner and pursuant to the same laws as an application is heard following a demand made under section 105.44, subdivision 3, insofar as applicable. However, if no demand for hearing is made by the person to whom the order is issued under this section, or if that person demands a hearing but fails to file the required bond, the commissioner's order becomes final at the expiration of 30 days after the person is served with the order and no appeal of the order may be taken to the district court.*

Sec. 15. Minnesota Statutes 1976, Section 105.482, Subdivision 3, is amended to read:

Subd. 3. [COMMISSIONER'S DUTIES.] From money appropriated for the following purposes from time to time, the commissioner of natural resources may repair or reconstruct state owned dams and may grant aid to local governmental units to repair or reconstruct dams owned by local governmental units and to make necessary engineering evaluations related to the repair or reconstruction. No grant to a local governmental unit shall exceed the amount contributed to the project by the local governmental unit for funds raised locally exclusive of federal grants.

Sec. 16. Minnesota Statutes 1976, Section 105.482, Subdivision 5, is amended to read:

Subd. 5. [LIMITATIONS.] If the cost of repair or reconstruction of a state owned dam or a grant to a local governmental unit is less than ~~\$25,000~~ *\$50,000*, the commissioner may direct that the state owned dam be repaired or reconstructed or that a grant be made to repair or reconstruct a dam owned by a local governmental unit without the approval of the state executive council. If the cost of repair or reconstruction of a state owned dam, or a grant to a local governmental unit is ~~\$25,000~~ *\$50,000* or more but less than ~~\$50,000~~ *\$100,000*, the expenditure shall be made only with the approval of the state executive council. If the cost of repair or reconstruction of a state owned dam or a grant to a local governmental unit is ~~\$50,000~~ *\$100,000* or more, the commissioner may recommend the project to the legislature for its consideration and action, except in the following emergency situations. With the approval of the executive council, the commissioner may direct that a state owned dam be repaired or reconstructed or a grant

be made to a local governmental unit where he determines that an emergency condition exists and that there is danger that life will be lost or that substantial property losses will be suffered if such action is not promptly taken.

Sec. 17. Minnesota Statutes 1976, Section 156A.07, Subdivision 4, is amended to read:

Subd. 4. All persons licensed under the provisions of sections 156A.01 to 156A.08 shall, within 30 days after completion of any well, submit a verified report to the Minnesota department of health upon forms provided by it containing the following information: (a) the name and address of the owner of such well and the actual location of such well; (b) a well log of the materials and water encountered in connection with drilling such well, together with all pumping tests relating thereto; (c) such other information as the board of health may require concerning the drilling of such well. The board of health shall send one copy of the report to the commissioner of natural resources, *the local soil and water conservation district within which the well is located*, and one copy to the director of the Minnesota geological survey within 30 days of receipt from the water well contractor. The department of health may: (1) Establish procedures for coordinating well data collection with other state and local governmental agencies; and (2) Establish criteria and procedures for submission of well logs, formation samples or well cuttings, water samples or other special information which may be required for geologic and water resource mapping to protect, develop, and manage, for the public health and welfare and to assist in the development of a state water information system. The license of any person licensed under sections 156A.01 to 156A.08 may be suspended or revoked, as provided in section 156A.03, for violation of any of the provisions of this subdivision.

Sec. 18. [IRRIGATION FROM GROUNDWATER.] *Subdivision 1. [PERMIT CLASSES ESTABLISHED.] Permit applications required by Minnesota Statutes, Section 105.41, for appropriation of groundwater for purposes of agricultural irrigation shall be processed as either class A or class B applications. Class A applications are for wells located in areas for which the commissioner of natural resources has adequate groundwater availability data. Class B are those for all other areas. The commissioner shall evaluate available groundwater data, determine its adequacy, and designate areas A and B, statewide. The commissioner shall solicit, receive, and evaluate groundwater data from soil and water conservation districts, and where appropriate revise his area A and B designations. The commissioner of natural resources shall file with the secretary of state a commissioner's order defining these areas by county and township. Additional areas may be added by a subsequent order of the commissioner.*

Subd. 2. [PERMIT APPLICATIONS; ORDER OF PROCESSING.] Class A applications shall be processed in the order received. Class B applications pending on or received prior to March 1, 1977, will be processed in the order of their receipt after additional in-

formation deemed necessary by the commissioner has been received.

Subd. 3. [CLASS B PERMITS; INFORMATION REQUIREMENTS.] Class B applications are not complete until the applicant has supplied the following data:

(a) A summary of the anticipated well depth and subsurface geologic formation expected to be penetrated by the well. For glacial drift aquifers, this data shall include the logs of test holes drilled for the purpose of locating the site of the proposed production well;

(b) The formation and aquifer expected to serve as the groundwater source;

(c) The maximum daily, seasonal and annual pumpage expected;

(d) The anticipated groundwater quality in terms of the measures of quality commonly specified for the proposed water use;

(e) The results of a pumping test conducted at a rate not to exceed the proposed pumping rate for a period not to exceed 72 hours for wells under water table conditions and not to exceed 24 hours for wells under artesian conditions. Before, during and after the pumping test the commissioner shall require monitoring of water levels in one observation well located at such distance from the pumping well which he has reason to believe may be affected by the new appropriation. The permit applicant shall be responsible for all costs of the pumping tests and monitoring in the one observation well. He shall be responsible for the construction of this one observation well if suitable existing wells cannot be located for this purpose. If the commissioner believes that more than one observation well is needed he shall instruct the applicant to install and monitor additional observation wells. The commissioner shall reimburse the applicant for these added costs; and

(f) Upon determination of the area of influence of the proposed well, the location of existing wells within the area of influence which were reported pursuant to section 156A.07, together with readily available facts on depths, geologic formations, pumping and nonpumping water levels and details of well construction as related to the board of health "Water Well Construction Code."

The commissioner may in any specific application waive any of the requirements of clauses (d) to (f) when the necessary data is already available.

Subd. 4. [ISSUANCE OF NEW PERMITS; CONDITIONS.] The commissioner shall issue permits for irrigation appropriation from groundwater only where he determines that proposed soil and water conservation measures are adequate based on recommendations of the soil and water conservation districts and that water supply is available for the proposed use without reducing water levels beyond the reach of vicinity wells constructed in accordance with the water well construction code, contained in the rules of the Minnesota state board of health, MHD 217 to 222.

Sec. 19. [WATER APPROPRIATIONS FROM SURFACE SOURCES.] *Subdivision 1. [WAIVER.] The commissioner may waive any limitation or requirement in subdivisions 2 through 5 for just cause.*

Subd. 2. [NATURAL AND ALTERED NATURAL WATER-COURSES.] Where data are available, permits to appropriate water from natural and altered natural watercourses shall be limited so that consumptive appropriations are not made from the watercourses during periods of specified low flows in order to safeguard water availability for instream uses and for downstream higher priority users located in reasonable proximity to the site of appropriation.

Subd. 3. [WATER BASINS.] (a) Permits to appropriate water for any purpose from waterbasins shall be limited so that the collective annual withdrawals do not exceed a total volume of water amounting to one-half acre-foot per acre of waterbasin based on Minnesota department of conservation bulletin No. 25, "An Inventory of Minnesota Lakes."

(b) As a condition to any surface water appropriation permit, the commissioner of natural resources shall establish an elevation for the subject waterbasin, below which no appropriation shall be allowed. During the determination of the elevation, which for the purposes of this section shall be known as the "protection elevation," the commissioner shall take into account the elevation of important aquatic vegetation characteristics related to fish and wildlife habitat, existing uses of the waterbasin by the public and riparian land owners, the total volume within the waterbasin and the slope of the littoral zone.

(c) As part of any application for appropriation of water for any purpose from a waterbasin of less than 500 acres in surface area, the applicant shall obtain a signed statement from as many landowners with land riparian to the subject waterbasin stating their support to the proposed appropriation as he is able to obtain and it shall indicate the number whose signature he is unable to obtain.

Subd. 4. [TROUT STREAMS.] Permits issued after the effective date of this act to appropriate water for any purpose from streams designated trout streams by the commissioner's orders pursuant to section 101.42, shall be limited to temporary appropriations.

Subd. 5. [CONTINGENCY PLANNING.] No application for use of surface waters of the state for any purpose is complete until the applicant submits, as part of the application, a contingency plan which describes the alternatives he will utilize if further appropriation is restricted due to the flow of the stream or the level of a water basin. No surface water appropriation for any purpose shall be allowed unless the contingency plan is feasible or the permittee agrees to withstand the results of no appropriation.

Sec. 20. [CONSERVATION OF PUBLIC WATER SUPPLIES.] *During periods of critical water deficiency as determined by the*

governor and declared by order of the governor, public water supply authorities appropriating water shall adopt and enforce restrictions consistent with rules adopted by the commissioner of natural resources within their areas of jurisdiction to restrict lawn sprinkling, car washing, golf course and park irrigation, and other non-essential uses, together with appropriate penalties for failure to comply with the restrictions. The commissioner may adopt emergency rules pursuant to section 15.0412, subdivision 5 relating to matters covered by this section during the year 1977. Disregard of critical water deficiency orders, even though total appropriation remains less than that permitted, shall be adequate grounds for immediate modification of any public water supply authority's appropriator's permit.

Sec. 21. [EXPIRATION OF EMERGENCY MEASURES.] Sections 16 to 19 of this act expire when rules governing water appropriation are adopted by the commissioner of natural resources, but not later than February 1, 1978. While in effect, sections 18 to 21 supersede all conflicting laws and rules.

Sec. 22. [APPROPRIATIONS.] Subdivision 1. The sums set forth in this section are appropriated from the general fund to the agencies and for the purposes indicated, to be available until June 30, 1979:

Subd. 2. Water planning board To implement section 1.	\$132,000
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Subd. 3. Commissioner of natural resources

(a) For administration of sections 2 through 19, development of groundwater data systems, groundwater data acquisition, groundwater management, groundwater investigations, and groundwater reports and publications	\$500,000
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(b) For implementation of the training program authorized in section 2.	\$100,000
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The commissioner of natural resources may increase the authorized personnel complement of the department of natural resources by not more than nine positions to accomplish the purposes of sections 2 to 19.

Subd. 4. Minnesota geological survey	\$135,000
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For the purpose of completing a statewide data bank of waterwell logs and compilation of data obtained from current drilling activities.

Subd. 5. State soil and water conservation board	\$184,000
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For the purpose of groundwater data collection and management as authorized in sections 3 and 6 through 11.

The state soil and water conservation board shall allocate the sum of \$2,000 to each soil and water conservation district which has participated in the training specified in section 3.

Subd. 6. Department of health \$155,000
For the purpose of administration of chapter
156A.

Sec. 23. This act is effective the day following final enactment."

Further, strike the title and insert

"A bill for an act relating to water resources; creating a water planning board; prescribing its duties; regulating the appropriation and use of water; establishing emergency restrictions on the use of state waters for irrigation and other purposes; establishing procedures for the processing of irrigation permits; requiring municipal water supply authorities to conserve water during shortages; appropriating money; amending Minnesota Statutes 1976, Sections 105.41, Subdivisions 1, 1a and by adding a subdivision; 105.415; 105.44, Subdivisions 1, 2, 3, 4, 5, 6, 8, and 10; 105.462; 105.482, Subdivisions 3 and 5; 156A.07, Subdivision 4; and Chapter 105, by adding a section."

And when so amended H. F. No. 1236 will be identical to S. F. No. 1201 and further recommends that H. F. No. 1236 be given its second reading and substituted for S. F. No. 1201 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. 420 and 1236 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Tennesen moved that the name of Mr. Sikorski be added as co-author to S. F. No. 1199. The motion prevailed.

S. F. No. 73 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 73

A bill for an act relating to weather modification; prohibiting the use of cloud seeding apparatus located on the ground; prescribing a penalty.

May 20, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We the undersigned conferees for S. F. No. 73 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. 73 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [POLICY.] The legislature finds that it is necessary for the state to regulate weather modification to protect its citizens, but nothing in this act shall be construed to encourage or promote weather modification.

Sec. 2. [DEFINITIONS.] Subdivision 1. For the purposes of sections 1 to 15, the terms defined in this section have the meanings given them.

Subd. 2. "Weather modification" means any activity performed in connection with placing or attempting to place any substance in the atmosphere or clouds within the atmosphere, including fog, with the intention of and for the purpose of producing artificial changes in the composition, motions, and resulting behavior of the atmosphere or clouds within the atmosphere, including fog.

Subd. 3. "Person" means any person, firm, association, organization, partnership, company, corporation, private or public, county, city, trust or other public agency.

Subd. 4. "Operation" means the performance of weather modification activities entered into for the purpose of producing, or attempting to produce, a certain modifying effect within one geographical area over one continuing time interval not exceeding one year.

Subd. 5. "Commissioner" means the commissioner of agriculture.

Sec. 3. [SOVEREIGN RIGHT CLAIMED BY STATE.] It is declared that the state of Minnesota claims its sovereign right to use for the best interest of its residents the moisture contained in the clouds and atmosphere within its sovereign state boundaries.

Sec. 4. [COMMISSIONER; POWERS AND DUTIES.] Subdivision 1. [POWERS.] The commissioner of agriculture may:

(a) pursuant to Minnesota Statutes, Chapter 15, adopt rules necessary to implement the license and permit program established pursuant to sections 1 to 15;

(b) enter into contracts or memoranda of agreement and do all things necessary to cooperate with the United States government, and to qualify for, accept and disburse any private grant intended for the administration of sections 1 to 15;

(c) cooperate with other states to jointly carry out research and planning in weather modification;

(d) advise persons, groups, and local units of government on weather modification and distribute informational material relating to weather modification and review and comment on all county programs of weather modification; and

(e) carry on research related to weather modification including evaluation of the effects of weather modification activities within

the state by staff members, or by contract. Evaluation of weather modification programs shall, if practical and within limits of available funding, include components of economic and environmental analysis which delineate the economic and environmental implications of the programs.

Subd. 2. [DUTIES.] The commissioner of agriculture shall:

(a) utilize to the extent possible the facilities and technical resources of public and private institutions in the state;

(b) by rule adopted pursuant to Minnesota Statutes, Chapter 15, require persons engaged in weather modification to submit reports of their activities and operations and any other information deemed necessary;

(c) on or before January 15 of each year, submit a report to the legislature and governor describing the weather modification operations within the state during the preceding year and the social, economic and environmental impact of the operations. The report shall also include recommendations for legislative action and any other information useful to the legislature.

Sec. 5. [COUNTY PROGRAMS OF WEATHER MODIFICATION.] Counties may, only after approval of the commissioner and subject to the requirements of sections 1 to 15, conduct programs of weather modification and expend money therefor. At least two weeks published notice in a newspaper of general circulation within the county must be given before the program of weather modification may begin. If, within 30 days of a decision by a county to expend funds for weather modification, a petition signed by voters in the county equal in number to ten percent of the votes cast in the county in the last general election or 2,000 voters, whichever is less, requesting a referendum on the proposed expenditure is filed with the county auditor, the funds shall not be expended until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of the expenditure of the funds are affirmative. No program may be conducted within the county without prior approval by the county board.

Sec. 6. [LICENSES.] Subdivision 1. No person shall engage in weather modification without a license issued by the commissioner. Applications for weather modification licenses shall be on forms prescribed and furnished by the commissioner. The applicant shall pay a fee of \$100. The license shall be valid for one year. The commissioner may waive the license fee in situations he deems appropriate.

Subd. 2. The commissioner shall issue licenses only to applicants who demonstrate good character, adequate education and sufficient competence in the field of meteorology and cloud physics to engage in weather modification. At a minimum, each applicant shall meet at least one of the following:

(1) demonstrate that he has at least eight years of experience at the professional level in weather modification field research or

operations, at least three of these years as a professional director; or

(2) has obtained a baccalaureate degree in engineering, mathematics, or the physical sciences plus three years experience in weather modification field research or operations; or

(3) has obtained a baccalaureate degree in meteorology, or a degree in engineering or the physical sciences which includes, or is in addition to, the equivalent of at least 25 semester hours of meteorological course work and two years practical experience in weather modification operations or research.

If the applicant is an organization, the competence must be demonstrated by the individuals who are to supervise and conduct the weather modification.

Subd. 3. The commissioner may renew a license annually if the applicant has the qualifications necessary for issuance of an original license and pays a fee of \$100.

Subd. 4. The moneys collected as fees shall be deposited with the state treasurer in the general fund.

Sec. 7. [SUSPENSION; REVOCATION; REFUSAL TO RE-NEW LICENSE.] The commissioner shall, subject to the provisions of chapter 15, suspend, revoke or refuse to renew a license for any one or any combination of the following causes:

(1) Incompetency;

(2) Dishonest practice;

(3) False or fraudulent representation in obtaining a license or permit under sections 1 to 15 or rules promulgated thereunder;

(4) Failure to comply with any of the provisions of sections 1 to 15 or of rules promulgated thereunder; or

(5) Aiding other persons who fail to comply with any of the provisions of sections 1 to 15 or rules promulgated thereunder.

Sec. 8. [INVESTIGATION.] The commissioner may investigate any operation or research and development activities of any person applying for a license and of any person holding or claiming to hold a license or permit.

Sec. 9. [PERMITS.] Subdivision 1. No person shall conduct an operation without a permit issued by the commissioner. Applications for permits shall be on forms prescribed and furnished by the commissioner. Permits shall be issued only to applicants who hold a valid weather modification license, pay a fee of \$100 and furnish proof of financial responsibility pursuant to subdivision 2. Prior to conducting an operation, the permittee shall publish notice of the operation as the commissioner shall require and shall give written notice to the county boards of the counties over which the operation is to be conducted and counties contiguous thereto. The permit shall be valid for one year or until the operation terminates, whichever first occurs.

Subd. 2. The applicant shall demonstrate to the satisfaction of the commissioner that he has the ability to respond to damages for liability which might reasonably result from the operation for which the permit is sought.

Subd. 3. The fees collected for permits shall be deposited with the state treasurer in the general fund.

Subd. 4. To the extent the commissioner deems necessary, emergency weather modification operations for the purpose of controlling fire, frost, sleet, hail, fog, or wind shall be exempt from the permit requirements.

Subd. 5. The commissioner may renew a permit annually if the applicant has the qualifications necessary for issuance of an original permit and pays a fee of \$100.

Subd. 6. No permit shall be issued to use a cloud seeding apparatus which emits cloud seeding material into the air when located on or in contact with the ground.

Subd. 7. Before a permit is issued, the commissioner may hold an informal hearing on the permit, at a location within the same geographic area as the proposed operation will be conducted.

Subd. 8. No more than one weather modification permit shall be issued for a given geographic area.

Subd. 9. The applicant must submit a complete operational plan for each proposed project prepared by the licensee who shall conduct the operation, which shall include, but not be limited to:

(a) a specific statement of the nature and objectives of the intended operation,

(b) a map of the proposed operating area which specifies the primary target area and shows the area reasonably expected to be affected and a raingauge system for both seeded and downwind areas,

(c) an estimate of the amount of cloud seeding material expected to be placed in the clouds,

(d) a statement of the types of clouds to be seeded and identification of a procedure for random selection of at least a portion of the clouds to be seeded during the operation,

(f) the name and address of the licensee,

(g) the person or organization on whose behalf it is to be conducted,

(h) a statement showing any expected effect upon the environment and results of weather modification operations, and methods of determining and properly evaluating that operation, and any other detailed information as may be required to describe the operation and its proposed method of evaluation.

Sec. 10. [SUSPENSION; REVOCATION AND REFUSAL TO RENEW PERMIT.] Subdivision 1. The commissioner shall, sub-

ject to chapter 15, suspend or revoke a permit if it appears that the permittee no longer has the qualifications necessary for the issuance of an original permit or has violated any provision of sections 1 to 15 or of any rules promulgated thereunder.

Subd. 2. The commissioner shall, subject to chapter 15, refuse to renew a permit if it appears from the operational records and reports of the permittee that an original permit would not be issuable for the operation, or if the permittee has violated any provision of sections 1 to 15 or of any rules promulgated thereunder.

Sec. 11. [MODIFICATION OF PERMIT.] Subdivision 1. The commissioner may revise the conditions and limits of a permit if:

(a) The permittee is given notice and a hearing, pursuant to chapter 15, on whether there is a need for the revision and the commissioner finds that a modification of the conditions and limits of a permit is necessary to protect the public health, safety or welfare, or the environment.

(b) If it appears to the commissioner that an emergency situation exists or is impending which could endanger the public safety, health or welfare, or the environment, the commissioner may, without prior notice or a hearing, immediately modify the conditions and limits of a permit, or order temporary suspension of the permit. The order shall include notice of a hearing to be held pursuant to chapter 15 within ten days thereafter on the question of permanently modifying the conditions and limits, continuing the suspension of the permit, removing the changes or lifting the suspension.

Subd. 2. Failure to comply with an order temporarily suspending an operation or modifying the conditions and limits of a permit shall be grounds for immediate revocation of the permit and of the license of the person controlling the operation.

Subd. 3. The permittee shall notify the commissioner of any emergency which can reasonably be foreseen, or of any existing emergency situations which might be caused or affected by the operation. Failure by the permittee to so notify the commissioner may be grounds, at the discretion of the commissioner, for revocation of the permit and of the license of the person controlling the operation.

Sec. 12. [PENALTY FOR VIOLATIONS.] Any person violating any of the provisions of sections 1 to 15 or of any rule promulgated thereunder is guilty of a misdemeanor, and each day such violation continues constitutes a separate offense.

Sec. 13. [LEGAL ACTION.] Other than in legal actions charging failure to obtain a license and permit, the fact that a person holds a license or was issued a permit under sections 1 to 15, or that a person has complied with the rules made by the commissioner pursuant to sections 1 to 15, is not admissible as a defense in any legal action which may be brought under this section against such person.

Sec. 14. [INJUNCTION.] The commissioner may, in addition to the other remedies provided in sections 1 to 15, apply to a district court having venue and jurisdiction, for an injunction to restrain repetitious violations of the provisions of sections 1 to 15 and of any rule promulgated thereunder.

Sec. 15. [APPROPRIATION.] There is appropriated from the general fund to the commissioner the sum of \$75,000 for the biennium ending June 30, 1979 for administrative expenses incurred in fulfilling the provisions of this act.

Sec. 16. [EFFECTIVE DATE.] Section 5 of this act is effective on the day following its final enactment. Sections 1 to 4 and sections 6 to 16 are effective January 1, 1978."

Further, strike the title and insert

"A bill for an act relating to weather modification; prescribing powers and duties for the commissioner of agriculture; providing for weather modification research; requiring the obtaining of licenses and permits prior to engaging in weather modification; prohibiting the use of cloud seeding apparatus located on the ground; prescribing penalties; appropriating money."

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

Senate Conferees: (Signed) Jim Nichols, A. O. H. Setzepfandt, Earl W. Renneke, Roger Strand, Marvin B. Hanson

House Conferees: (Signed) Russell Stanton, George Mann, Glen Anderson, Wendell O. Erickson, Ted Suss

Mr. Nichols moved that the foregoing recommendations and Conference Committee Report on S. F. No. 73 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Mr. Olson moved that the recommendations and Conference Committee Report on S. F. No. 73 be rejected, the Conference Committee discharged, and that a new Conference Committee be appointed by the Subcommittee on Committees to act with a like Conference Committee appointed on the part of the House.

The question was taken on the adoption of the Olson motion.

The roll was called, and there were yeas 17 and nays 36, as follows:

Those who voted in the affirmative were:

Ashbach	Dunn	Kirchner	Sieloff	Spear
Bernhagen	Engler	Knutson	Sillers	Ueland, A.
Brataas	Frederick	Olson	Solon	Wegener
Chmielewski	Jensen			

Those who voted in the negative were:

Anderson	Hughes	Luther	Purfeerst	Stumpf
Bang	Humphrey	McCutcheon	Renneke	Ulland, J.
Benedict	Johnson	Milton	Schmitz	Vega
Borden	Kleinbaum	Nelson	Setzepfandt	Willet
Coleman	Knoll	Nichols	Sikorski	
Gearty	Laufenburger	Penny	Staples	
Gunderson	Lessard	Peterson	Stokowski	
Hanson	Lewis	Pillsbury	Strand	

The motion did not prevail.

The question recurred on the Nichols motion. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S. F. No. 73: A bill for an act relating to weather modification; prohibiting the use of cloud seeding apparatus located on the ground; prescribing a penalty.

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

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

The roll was called, and there were yeas 43 and nays 8, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Pillsbury	Stokowski
Aahbach	Gearty	Lessard	Renneke	Strand
Bang	Gunderson	Lewis	Schmitz	Stumpf
Benedict	Hanson	Luther	Setzepfand	Ueland, A.
Bernhagen	Hughes	McCutcheon	Sieloff	Ulland, J.
Borden	Humphrey	Milton	Sikorski	Vega
Chmielewski	Johnson	Nelson	Sillers	Willet
Coleman	Kirchner	Nichols	Solon	
Dunn	Kleinbaum	Peterson	Staples	

Those who voted in the negative were:

Brataas	Jensen	Olson	Purfeerst	Wegener
Frederick	Knutson	Penny		

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

Pursuant to Rule 21, Mr. Humphrey moved that the following members be excused for a Conference Committee on S. F. No. 1467 at 11:45 a.m.:

Messrs. Humphrey, Willet, Borden, Solon and Dunn. The motion prevailed.

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 649 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 649

A bill for an act relating to taxation; permitting certain appeals of assessments to the commissioner of revenue; providing for appointment of local assessors or termination of their offices; refining terms of senior citizens property tax freeze; eliminating assessors' bonds; eliminating certification of local treasurers' bonds; providing for appeal of property classification; defining certain powers of boards of equalization; clarifying redemption period for tax-forfeited lands; amending Minnesota Statutes 1976, Sections 270.11, Subdivision 7; 270.50; 273.011, Subdivision 4; 273.012,

Subdivision 2; 273.04; 273.05, Subdivisions 1 and 2; 273.06; 273.061, Subdivision 3; 274.01, Subdivision 1; 274.13, Subdivision 1; 276.12; and 281.17; and Chapter 270, by adding a section.

May 19, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 649, report that we have agreed upon the items in dispute and recommend as follows:

The House recede from its amendments and S. F. No. 649 be amended as follows:

Page 2, line 10, after "270.49" delete "and" and insert a new comma

Page 2, line 10, after "270.493," insert "and section 7 of this act,"

Page 2, line 17, after "270.50," insert "or failure to fill a vacancy in the office within 90 days pursuant to section 7 of this act,"

Page 3, line 20, reinstate "[TOWNSHIPS.]" and delete "towns"

Page 3, line 31, after "[BASE TAX.]" insert "(a) Except as provided in clauses (b) and (c),"

Page 4, line 9, before "in" insert "(b)"

Page 4, line 9, delete "or constructed"

Page 4, line 12, delete ", computed as if the property had been"

Page 4, delete lines 13 to 16 and insert "which would have been due in the year following the year in which the property was purchased, computed as if the property had been homesteaded on January 2 of the year purchased."

Page 4, after line 16, insert "(c) In the case of property constructed for homestead purposes by a person 65 years of age or older with title held as provided in this section, the "base tax" shall be the tax which is due in the year following the year in which the property was substantially completed and homesteaded as of January 2."

Page 6, line 17, after the period insert "If the vacancy is not filled within 90 days, the office shall be terminated."

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

Senate Conferees: (Signed) Florian Chmielewski, Marvin B. Hanson and Arnulf Ueland, Jr.

House Conferees: (Signed) Robert Vanasek, Victor Schulz and James Evans.

Mr. Chmielewski moved that the foregoing recommendations

and Conference Committee Report on S. F. No. 649 be now adopted, and that the bill be re-passed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S. F. No. 649: A bill for an act relating to taxation; permitting certain appeals of assessments to the commissioner of revenue; providing for appointment of local assessors or termination of their offices; refining terms of senior citizens property tax freeze; eliminating assessors' bonds; eliminating certification of local treasurers' bonds; providing for appeal of property classification; defining certain powers of boards of equalization; clarifying redemption period for tax-forfeited lands; amending Minnesota Statutes 1976, Sections 270.11, Subdivision 7; 270.50; 273.011, Subdivision 4; 273.012, Subdivision 2; 273.04; 273.05, Subdivisions 1 and 2; 273.06; 273.061, Subdivision 3; 274.01, Subdivision 1; 274.13, Subdivision 1; 276.12; and 281.17; and Chapter 270, by adding a section.

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

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

The roll was called, and there were yeas 46 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Nichols	Schmitz	Stumpf
Ashbach	Hughes	Ogdahl	Schrom	Ueland, A.
Bang	Johnson	Olson	Setzepfandt	Ulland, J.
Benedict	Kirchner	Penny	Sieloff	Vega
Bernhagen	Knutson	Perpich	Sikorski	Wegener
Brataas	Laufenburger	Peterson	Sillers	Willet
Chmielewski	Lessard	Pillsbury	Spear	
Engler	Luther	Purfeerst	Staples	
Gearty	McCutcheon	Renneke	Stokowski	
Gunderson	Nelson	Schaaf	Strand	

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

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 695 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 695

A bill for an act relating to the Como Park zoo; requiring 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 1976, Chapter 473, by adding a section.

May 20, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 695 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. 695 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 473, is amended by adding a section to read:

[473.326] [BONDS; COMO PARK ZOO.] *Subdivision 1. Subject to the provisions of subdivision 2, the metropolitan council shall by resolution authorize the issuance of general obligation bonds of the council in an aggregate principal amount not exceeding \$2,300,000, in addition to the amount authorized under the provisions of section 473.325. The proceeds shall be used by the council for grants to the city of Saint Paul for the repair, construction, reconstruction, improvement, and rehabilitation of the Como Park zoo owned and operated by the city. The bonds shall be sold, issued, and secured as provided in section 473.325, and the terms of each series thereof shall be fixed so that the annual principal and interest payments thereon, together with those on all outstanding and undischarged bonds issued pursuant to section 473.325, will not exceed the limit provided in that section.*

Subd. 2. The city council shall cause to be prepared, approve, and submit to the metropolitan council plans for any work for which a grant is requested. The metropolitan council shall determine whether the plans are consistent with Ramsey county's master plan and the metropolitan council's policy plan for regional recreation open space. If not, or if the determination cannot be made on the basis of the plans as submitted, they shall be returned with comments to the city council for revision and resubmission. No bonds shall be issued under this section until the plans for the work to be financed thereby are approved by the metropolitan council.

Subd. 3. Of any state funds reappropriated to the metropolitan council for use for the acquisition and betterment of regional recreation open space, at least \$1,400,000 shall be used by the council for grants to the city of Saint Paul for the repair, construction, reconstruction, improvement, and rehabilitation of the Como Park zoo.

Subd. 4. No grant made under this section shall affect the city's ownership of or power to manage and operate the zoo, in a manner consistent with the master plan and policy plan.

Sec. 2. [EFFECTIVE DATE.] Pursuant to Article XII, Section 2, of the Constitution and section 645.023, it is determined that

this act is a special law applicable on its effective date to the metropolitan council and the city of Saint Paul and in the metropolitan area including the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington, and that this act shall become effective without local approval on the day following final enactment."

Further, strike the title in its entirety and insert

"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 1976, Chapter 473, by adding a section."

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

Senate Conferees: (Signed) Peter P. Stumpf, Robert Lewis, Ron Sieloff

House Conferees: (Signed) Ann Wynia, James R. Casserly, James C. Pehler

Mr. Stumpf moved that the foregoing recommendations and Conference Committee Report on S. F. No. 695 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. 695: A bill for an act relating to the Como Park zoo; requiring 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 1976, Chapter 473, by adding a section.

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

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

The roll was called, and there were yeas 45 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Lewis	Purfeerst	Staples
Ashbach	Hughes	Luther	Renneke	Stokowski
Bang	Jensen	McCutcheon	Schaaf	Strand
Benedict	Johnson	Nelson	Schmitz	Stumpf
Bernhagen	Kirchner	Nichols	Setzepfandt	Ueland, A.
Chmielewski	Kleinbaum	Olson	Sieloff	Ulland, J.
Engler	Knoll	Penny	Sikorski	Vega
Gearty	Laufenburger	Perpich	Sillers	Wegener
Gunderson	Lessard	Peterson	Spear	Willet

Mrs. Brataas and Messrs. Knutson, Pillsbury 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

S. F. No. 743 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 743

A bill for an act relating to health; establishing a health program for pre-school children; providing for payments to school districts; appropriating money.

May 20, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 743, report that we have agreed upon the items in dispute and recommend as follows:

That S. F. No. 743 be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. [STATEMENT OF PURPOSE.] The legislature finds that early detection of children’s health and developmental problems can reduce their later need for costly care, minimize their physical and educational handicaps, and aid in their rehabilitation. The purpose of this act is to assist parents and communities in improving the health of Minnesota children and in planning educational and health programs.

Sec. 2. [SCHOOL BOARD RESPONSIBILITIES.] Subdivision 1. Every school board shall provide for a voluntary health and developmental screening program for children once before entering kindergarten; provided, this section shall not be construed to require school boards to screen children who enter kindergarten during fiscal year 1978. This screening program shall be established either by one board, by two or more boards acting in cooperation, by educational cooperative service units, by early childhood and family education programs, or by other existing programs. No school board may make this screening examination a mandatory prerequisite to enroll a student. In fiscal years 1978 and 1979, the screening programs shall include at least the following components to the extent the school board determines they are financially feasible: developmental assessments, hearing and vision screening, dental assessments, and the review of health history and immunization status. In fiscal year 1979, the screening programs shall include at least the following additional components to the extent the school board determines they are financially feasible: laboratory tests and nutritional and physical assessments. All screening components shall be consistent with the standards of the state board of health for early and periodic screening programs. No child shall be required to submit to any component of this screening program to be eligible for any other component.

Subd. 2. If any child's screening indicates a condition which requires diagnosis or treatment, his parents shall be notified of the condition and the school board shall ensure that an appropriate follow-up and referral process is available, in accordance with procedures established pursuant to section 3, subdivision 1.

Subd. 3. The school board shall actively encourage participation in the screening program.

Subd. 4. Every school board shall contract with or purchase service from an approved early and periodic screening program in the area wherever possible.

Subd. 5. Every school board shall integrate and utilize volunteer screening programs in implementing sections 2 to 4.

Subd. 6. A school board may contract with health care providers to operate the screening programs and shall consult with local societies of health care providers.

Sec. 3. [RESPONSIBILITIES OF STATE BOARD OF EDUCATION AND STATE BOARD OF HEALTH.] Subdivision 1. School boards shall administer the screening programs pursuant to rules adopted by the state board of education. In order to implement the programs for the 1977-1978 school year, the state board shall, no later than August 15, 1977, adopt emergency rules in accordance with section 15.0412, subdivision 5. Prior to the adoption of the rules and emergency rules, the state board shall solicit information or opinions pursuant to section 15.0412, subdivision 6. The notice of proposed rule-making shall be published in the state register no later than August 1, 1977, and copies of the proposed rules and emergency rules shall be sent to the state board of health and each school board in the state on or before the date of publication. The state board of education shall consider the standards employed by the state board of health for early and periodic screening programs in drafting the proposed rules.

Subd. 2. The state board of education, in cooperation with the state board of health and health service providers, shall provide technical assistance, including training, and general information and consultation services to school boards.

Subd. 3. The state board of education, in cooperation with the state board of health, shall report to the legislature by February 1, 1979, on the results of the screening programs in accomplishing the purposes specified in section 1.

Sec. 4. [DATA USE.] Data on individuals collected in screening programs established pursuant to section 2 is private, as defined by section 15.162, subdivision 5a. Individual and summary data shall be reported to the school district by the health provider who performs the screening services, for the purposes of developing appropriate educational programs to meet the individual needs of children and designing appropriate health education programs for the district; provided, no data on an individual shall be disclosed to the district without the consent of that individual's parent or guardian.

Sec. 5. [STATE AID.] The department of education shall pay each school district for the cost of screening services provided pursuant to this act. The payment shall not exceed \$13 per child screened in fiscal year 1978 and \$23 per child screened in fiscal year 1979. Any district may request and receive an advance payment equal to 50 percent of its estimated payment for screening eligible children.

Sec. 6. [APPROPRIATION.] Subdivision 1. The sums set forth in this section are appropriated from the general fund to the agencies and for the purposes indicated, to be available for the fiscal year ending June 30 in the years indicated. Any unencumbered balance remaining in fiscal year 1978 shall not cancel but is available for fiscal year 1979.

	1978	1979
Subd. 2. Department of Education		
(a) For consultation with school districts and evaluation of screening programs established pursuant to section 3, subdivision 1	\$ 50,000	\$ 50,000
The department of education may employ 2.5 additional persons for the purpose of implementing this act.		
(b) For payments to school districts pursuant to section 5	390,000	1,035,000
Subd. 3. Department of Health	67,000	77,000

For training staff to provide screening services, providing technical assistance to screening programs, and monitoring and evaluation of screening programs, all pursuant to this act.

The department of health may employ additional persons for the purpose of implementing this act."

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

Senate Conferees: (Signed) John Milton, Gerry Sikorski, John B. Keefe

House Conferees: (Signed) Peggy Byrne, Ray W. Faricy, Arne H. Carlson

Mr. Milton moved that the foregoing recommendations and Conference Committee Report on S. F. No. 743 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. 743: A bill for an act relating to health; establishing a health program for pre-school children; providing for payments to school districts; appropriating money.

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

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

The roll was called, and there were yeas 46 and nays 4, as follows:

Those who voted in the affirmative were:

Anderson	Hughes	Merriam	Schaaf	Strand
Ashbach	Jensen	Milton	Schmitz	Stumpf
Bang	Johnson	Nichols	Schrom	Ulland, J.
Benedict	Keefe, J.	Ogdahl	Setzepfandt	Vega
Bernhagen	Kirchner	Olson	Sieloff	Wegener
Chmielewski	Knoll	Penny	Sikorski	Willet
Engler	Laufenburger	Perpich	Sillers	
Gearty	Lessard	Peterson	Spear	
Gunderson	Lewis	Pillsbury	Staples	
Hanson	Luther	Purfeerst	Stokowski	

Mrs. Brataas, Messrs. Knutson, Renneke and Ueland, A. 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

S. F. No. 1349 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1349

A bill for an act relating to the organization and operation of state government; regulating organization and procedures of various state departments and agencies; providing for the source of per diem and expense payments; providing for appointment and compensation of the employees suggestion board; removing the minimum teachers' license fee; permitting the board of teaching to adopt rules; regulating state arts board grants and publicity; providing the status of part time executive secretaries; permitting joint rule making proceedings; changing the name and composition of the state board of human rights; making miscellaneous inconsequential clarifications and corrections; amending Minnesota Statutes 1976, Sections 15.01; 15.059, Subdivision 6; 16.71, Subdivisions 1 and 1a; 121.02, Subdivision 1; 125.08; 125.185, by adding a subdivision; 139.10, Subdivision 1, and by adding subdivisions; 144A.19, Subdivision 2; 144A.21, Subdivision 1; 144A.251; 214.04, Subdivision 3, and by adding a subdivision; 214.06, Subdivision 1; 238.04, Subdivision 2; 363.04, Subdivisions 4, 4a and 5; Chapter 15, by adding a section; and Laws 1976, Chapter 222, Section 207, Subdivision 2; repealing Minnesota Statutes 1976, Sections 144A.21, Subdivisions 3 and 4; 144A.25; and 214.05.

May 20, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 1349, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S. F. No. 1349 be amended as follows:

Pages 5 and 6, strike section 9

Page 6, line 16, strike "subdivisions" and insert "a subdivision"

Page 6, delete lines 17 to 26

Page 6, line 27, strike "4" and insert "3"

Page 6, delete line 32

Page 7, delete lines 1 to 5

Page 9, line 23, after "expenditures" insert "*during the fiscal biennium*"

Page 11, after line 19, insert

"Sec. 23. *This act is effective July 1, 1977.*"

Renumber sections accordingly

Amend the title as follows:

Page 1, line 20, delete "subdivision 1, and"

Page 1, line 20, strike "subdivisions" and insert "a subdivision"

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

Senate Conferees: (Signed) David D. Schaaf, James Ulland, Gerry Sikorski

House Conferees: (Signed) Leo G. Adams, John R. Arlandson, Robert L. Searles

Mr. Schaaf moved that the foregoing recommendations and Conference Committee Report on S. F. No. 1349 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. 1349: A bill for an act relating to the organization and operation of state government; regulating organization and procedures of various state departments and agencies; providing for the source of per diem and expense payments; providing for appointment and compensation of the employees suggestion board; removing the minimum teachers' license fee; permitting the board of teaching to adopt rules; regulating state arts board grants and publicity; providing the status of part time executive secretaries; permitting joint rule making proceedings; changing the name and

composition of the state board of human rights; making miscellaneous inconsequential clarifications and corrections; amending Minnesota Statutes 1976, Sections 15.01; 15.059, Subdivision 6; 16.71, Subdivisions 1 and 1a; 121.02, Subdivision 1; 125.08; 125.185, by adding a subdivision; 139.10, Subdivision 1, and by adding subdivisions; 144A.19, Subdivision 2; 144A.21, Subdivision 1; 144A.251; 214.04, Subdivision 3, and by adding a subdivision; 214.06, Subdivision 1; 238.04, Subdivision 2; 363.04, Subdivisions 4, 4a and 5; Chapter 15, by adding a section; and Laws 1976, Chapter 222, Section 207, Subdivision 2; repealing Minnesota Statutes 1976, Sections 144A.21, Subdivisions 3 and 4; 144A.25; and 214.05.

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

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

The roll was called, and there were yeas 47 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Jensen	Luther	Purfeerst	Stokowski
Bang	Johnson	Merriam	Renneke	Strand
Benedict	Keefe, J.	Nelson	Schaaf	Stumpf
Bernhagen	Keefe, S.	Nichols	Schmitz	Ueland, A.
Chmielewski	Kirchner	Ogdahl	Setzepfandt	Ulland, J.
Engler	Knoll	Olson	Sieloff	Vega
Gearty	Knutson	Penny	Sikorski	Wegener
Gunderson	Laufenburger	Perpich	Sillers	
Hanson	Lessard	Peterson	Spear	
Hughes	Lewis	Pillsbury	Staples	

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

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 977 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 977

A bill for an act relating to marriage; requiring certain information to be included on an application for a marriage license; amending Minnesota Statutes 1976, Sections 517.08, Subdivision 1; and 517.10.

May 20, 1977

The Honorable Edward J. Gearty
President of the Senate

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

We, the undersigned conferees for S. F. No. 977 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. 977 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 517.01, is amended to read:

517.01 [MARRIAGE A CIVIL CONTRACT.] Marriage, so far as its validity in law is concerned, is a civil contract *between a man and a woman*, to which the consent of the parties, capable in law of contracting, is essential. Lawful marriage hereafter may be contracted only when a license has been obtained therefor as provided by law and when such marriage is contracted in the presence of two witnesses and solemnized by one authorized, or whom the parties in good faith believe to be authorized, so to do. Marriages subsequent to April 26, 1941, not so contracted shall be null and void.

Sec. 2. Minnesota Statutes 1976, Section 517.08, Subdivision 1, is amended to read:

517.08 [APPLICATION FOR LICENSE.] Subdivision 1. Application for a marriage license shall be made at least five days before a license shall be issued. Such application shall be made upon a form provided for the purpose and shall contain the full names of the parties, their post office addresses and county and state of residence, and their full ages, *and the full names the parties will have after marriage*. The clerk shall examine upon oath the party applying for license relative to the legality of such contemplated marriage and, if at the expiration of this five-day period, he is satisfied that there is no legal impediment thereto, he shall issue such license, containing the full names of the parties *before and after marriage*, and county and state of residence, with the district court seal attached, and make a record of the date of issuance thereof, which license shall be valid for a period of six months. In case of emergency or extraordinary circumstances, the judge of the probate court, the court commissioner, or any judge of the district court, of the county in which the application is made, may authorize the license to be issued at any time before the expiration of the five days. The clerk shall collect from the applicant a fee of \$10 \$11 for administering the oath, issuing, recording, and filing all papers required, and preparing and transmitting to the state registrar of vital statistics the reports of marriage required by this section. If illness or other extenuating circumstances, it may be surrendered to the clerk for cancellation, and in such case a new license shall issue upon request of the parties of the original license without fee therefor. Any clerk who shall knowingly issue or sign a marriage license in any other manner than in this section provided shall forfeit and pay for the use of the parties aggrieved not to exceed \$1,000.

Sec. 3. Minnesota Statutes 1976, Section 517.08, Subdivision 3, is amended to read:

Subd. 3. The personal information necessary to complete the report of marriage shall be furnished by the applicant prior to the

issuance of the license. The report shall contain only the following information:

(a) Personal information on bride and groom.

1. Name.
2. Residence.
3. Date and place of birth.
4. Race.
5. If previously married, how terminated.
6. Name after marriage.
7. Signature of applicant and date signed.

(b) Information concerning the marriage.

1. Date of marriage.
2. Place of marriage.
3. Civil or religious ceremony.

(c) Signature of clerk of court and date signed.

(d) *Address of the bride and groom after the marriage to which the clerk shall send a certified copy of the marriage certificate.*

Sec. 4. Minnesota Statutes 1976, Chapter 517, is amended by adding a section to read:

[517.101] [CERTIFIED COPIES OF MARRIAGE CERTIFICATE.] *Within ten days of receipt of the certificate and after recording the certificate the clerk shall prepare two certified copies of the certificate of which he shall mail one to the married parties and the other to the person solemnizing the marriage. The person solemnizing the marriage may indicate at the time he files the certificate with the clerk that he does not wish to receive a certified copy.*

Sec. 5. Minnesota Statutes 1976, Section 517.10, is amended to read:

517.10 [CERTIFICATE; WITNESSES.] The person solemnizing a marriage shall prepare under his hand three certificates thereof. Each certificate shall contain the full names *before and after marriage* and county and state of residences of the parties and the date and place of the marriage. Each certificate shall also contain the signatures of at least two of the witnesses present at the marriage who shall be at least 16 years of age. The person solemnizing the marriage shall give each of the parties one such certificate, and shall immediately make a record of such marriage, and file one such certificate with the clerk of the district court of the county in which the license was issued within five days after the ceremony. The clerk shall record such certificate in a book kept for that purpose."

Further amend the title as follows:

Strike the title in its entirety and insert:

"A bill for an act relating to marriage; clarifying eligibility for marriage contract; requiring certain information on application for marriage license and marriage certificate; requiring clerk of court to furnish certified copies of marriage certificate; amending Minnesota Statutes 1976, Sections 517.01; 517.08, Subdivisions 1 and 3; 517.10; and Chapter 517, by adding a section."

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

Senate Conferees: (Signed) Howard Olson, Florian Chmielewski and Arnulf Ueland, Jr.

House Conferees: (Signed) David Cummiskey, James Casserly and Gary W. Laidig.

Mr. Olson moved that the foregoing recommendations and Conference Committee Report on S. F. No. 977 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. 977: A bill for an act relating to marriage; requiring certain information to be included on an application for a marriage license; amending Minnesota Statutes 1976, Sections 517.08, Subdivision 1; and 517.10.

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

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

The roll was called, and there were yeas 42 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Johnson	Nelson	Renneke	Strand
Bernhagen	Keefe, J.	Nichols	Schmitz	Stumpf
Chmielewski	Keefe, S.	Ogdahl	Setzepfandt	Ueland, A.
Engler	Knoll	Olson	Sieloff	Ulland, J.
Gerty	Knutson	Penny	Sikorski	Vega
Gunderson	Laufenburger	Perpich	Sillers	Wegener
Hanson	Lessard	Peterson	Solon	
Hughes	Luther	Pillsbury	Staples	
Jensen	Merriam	Purfeerst	Stokowski	

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

Without objection, the Senate reverted to the Order of Business of Messages From the House.

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 House File No. 129 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 129: A bill for an act relating to education; encouraging post-secondary institutions to grant comparable credit for comparable work to another institution; directing the higher education coordinating board to perform certain duties.

H. F. No. 129 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 129

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.

May 18, 1977

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

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 129 report that we have agreed upon the items in dispute and recommend as follows:

That H. F. No. 129 be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1976, Section 136A.04, is amended to read:

136A.04 [DUTIES.] The higher education coordinating 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 universities, the community colleges, and public area vocational-technical institutes, and private collegiate and non-collegiate in-

stitutions 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 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 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 budget requests, including plans for construction or acquisition of facilities, of the University of Minnesota, the state colleges, the state community colleges, and public vocational-technical schools for the purpose of relating present resources and higher education 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;

(g) Obtain from private post-secondary institutions receiving state funds a report on their use of those funds ;

(h) Continuously monitor and study the transferability between Minnesota post-secondary and higher education institutions of credits earned for equal and relevant work at those institutions, the degree to which credits earned at one institution are accepted at full value by the other institutions, and the policies of these institutions concerning the placement of these transferred credits on transcripts .

Sec. 2. Minnesota Statutes 1976, Chapter 136A, is amended by adding a section to read:

[136A.042] [CREDIT TRANSFERABILITY.] *The higher education coordinating board shall recommend to the various post-secondary and higher education systems and to the legislature measures which will increase transferability of credits between the institutions, which will improve student awareness of the credit transfer policies of each system or institution, and which will cause student transcripts to reflect credits earned at other post-secondary and higher education institutions. The higher education coordinating board is directed to encourage communications among faculty, staff and students at the various institutions in order to accomplish the purposes of this section.*

Sec. 3. *Prior to January 1, 1978 and January 1, 1979, the higher education coordinating board shall make reports to the appropriate committees of the legislature on its progress in accomplishing the purposes of sections 1 and 2 of this act and on its recommendations for further accomplishing these purposes.*

Sec. 4. *This act shall be effective the day following final enactment.*"

Further, strike the title and insert

"A bill for an act relating to education; directing the higher education coordinating board to monitor and study credit transferability, the acceptance of credits at full value, and the placing of certain credits on transcripts; amending Minnesota Statutes 1976, Section 136A.04; and Chapter 136A, by adding a section."

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

House Conferees: (Signed) James C. Pehler, Carl Kroening and Darrell Peterson.

Senate Conferees: (Signed) Timothy J. Penny, Jim Nichols and Douglas H. Sillers.

Mr. Penny moved that the foregoing recommendations and Conference Committee Report on H. F. No. 129 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. 129: A bill for an act relating to education; directing the higher education coordinating board to monitor and study credit transferability, the acceptance of credits at full value, and the placing of certain credits on transcripts; amending Minnesota Statutes 1976, Section 136A.04; and Chapter 136A, by adding a section.

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

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

The roll was called, and there were yeas 46 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Jensen	Milton	Schaaf	Strand
Benedict	Johnson	Nelson	Schmitz	Stumpf
Bernhagen	Keefe, J.	Nichols	Schrom	Ueland, A.
Chmielewski	Keefe, S.	Ogdahl	Setzepfandt	Ulland, J.
Coleman	Knoll	Penny	Sieloff	Vega
Engler	Knutson	Perpich	Sikorski	Wegener
Gearty	Laufenburger	Peterson	Sillers	
Gunderson	Lessard	Pillsbury	Spear	
Hanson	Luther	Purfeerst	Staples	
Hughes	Merriam	Renneke	Stokowski	

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 recommendation and report of the Conference Committee on

House File No. 82 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 82: A bill for an act relating to crimes; raising the amount of pecuniary gain which must be received by a person incident to a violation of law before the violation is categorized as a felony; increasing the penal fine of misdemeanors; directing a court to require as a condition of a stay of imposition or execution of sentence restitution for property damage or loss or compensation for personal injuries; amending Minnesota Statutes 1976, Sections 412.231; 609.02, Subdivision 3; 609.03; 609.031; 609.032; 609.135, Subdivision 1; 609.27, Subdivision 2; 609.551, Subdivision 1; 609.563, Subdivision 1; 609.576, Subdivision 1; 609.595, Subdivision 1; 609.615; and 609.785.

House File No. 82 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 20, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO 82

A bill for an act relating to crimes; raising the amount of pecuniary gain which must be received by a person incident to a violation of law before the violation is categorized as a felony; increasing the penal fine of misdemeanors; directing a court to require as a condition of a stay of imposition or execution of sentence restitution for property damage or loss or compensation for personal injuries; amending Minnesota Statutes 1976, Sections 412.231; 609.02, Subdivision 3; 609.03; 609.031; 609.032; 609.135, Subdivision 1; 609.27, Subdivision 2; 609.551, Subdivision 1; 609.563, Subdivision 1; 609.576, Subdivision 1; 609.595, Subdivision 1; 609.615; and 609.785.

May 16, 1977

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

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 82, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments.

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

House Conferees: (Signed) Russell Stanton, Arnold Kempe, Arne Carlson

Senate Conferees: (Signed) Jim Nichols, John B. Keefe, Allan H. Spear

Mr. Nichols moved that the foregoing recommendations and Conference Committee Report on H. F. No. 82 be now adopted, and that the bill be repassed as amended by the Conference Com-

mittee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 82: A bill for an act relating to crimes; raising the amount of pecuniary gain which must be received by a person incident to a violation of law before the violation is categorized as a felony; increasing the penal fine of misdemeanors; directing a court to require as a condition of a stay of imposition or execution of sentence restitution for property damage or loss or compensation for personal injuries; amending Minnesota Statutes 1976, Sections 412.231; 609.02, Subdivision 3; 609.03; 609.031; 609.032; 609.135, Subdivision 1; 609.27, Subdivision 2; 609.551, Subdivision 1; 609.563, Subdivision 1; 609.576, Subdivision 1; 609.595, Subdivision 1; 609.615; and 609.785.

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

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 37 and nays 8, as follows:

Those who voted in the affirmative were:

Bang	Knoll	Nelson	Schaaf	Stokowski
Benedict	Knutson	Nichols	Schmitz	Strand
Gearty	Lessard	Ogdahl	Setzepfandt	Stumpf
Hanson	Lewis	Perpich	Sieloff	Ulland, J.
Hughes	Luther	Peterson	Sikoraki	Vega
Jensen	McCutcheon	Pillsbury	Sillers	
Johnson	Merriam	Purfeerst	Spear	
Keefe, J.	Milton	Renneke	Staples	

Those who voted in the negative were:

Bernhagen	Engler	Laufenburger	Ueland, A.	Wegener
Chmielewski	Gunderson	Penny		

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 recommendation and report of the Conference Committee on House File No. 16 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 16: A bill for an act relating to insurance; providing for interest on unpaid benefits; amending Minnesota Statutes 1976, Chapter 61A, by adding a section.

H. F. No. 16 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 16

A bill for an act relating to insurance; providing for interest on unpaid benefits; amending Minnesota Statutes 1976, Chapter 61A, by adding a section.

May 19, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 16 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. 16 be amended as follows:

Page 1, line 18, delete the second "or"

Page 1, line 19, delete "certificate"

Page 1, line 19, after "state" insert "*or to a beneficiary under a policy insuring a person resident in this state at the time of death*"

Page 2, line 13, delete the second "or"

Page 2, line 14, delete "certificate"

Page 2, line 14, after "state" insert "*or to a beneficiary under a policy insuring a person resident in this state at the time of death*"

Page 2, line 30, delete "or"

Page 2, line 32, after "indebtedness" insert "*; or (c) the beneficiary resides in a jurisdiction which has a law requiring the payment of interest to beneficiaries residing in that jurisdiction*"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Ray Kempe, Walter R. Hanson and Henry J. Savelkoul.

Senate Conferees: (Signed) Bill McCutcheon, Jack Davies and Carl A. Jensen.

Mr. McCutcheon moved that the foregoing recommendations and Conference Committee Report on H. F. No. 16 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. 16: A bill for an act relating to insurance; providing for interest on unpaid benefits; amending Minnesota Statutes 1976, Chapter 61A, by adding a section.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 47 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Luther	Purfeerst	Stokowski
Bang	Jensen	McCutcheon	Renneke	Strand
Benedict	Johnson	Merriam	Schaaf	Stumpf
Bernhagen	Keefe, J.	Milton	Schmitz	Ueland, A.
Brataas	Kleinbaum	Nelson	Setzepfandt	Ulland, J.
Chmielewski	Knoll	Nichols	Sieloff	Vega
Coleman	Knutson	Ogdahl	Sikorski	Wegener
Engler	Laufenburger	Penny	Sillers	
Gearty	Lessard	Peterson	Spear	
Gunderson	Lewis	Pillsbury	Staples	

So the bill, as amended by the Conference Committee, was re-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. 856 and re-passed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 856: A bill for an act relating to welfare; authorizing the establishment of centralized disbursement system for payments and for food stamp benefit documents; amending Minnesota Statutes 1976, Section 256.01, by adding a subdivision.

House File No. 856 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1977

CONFERENCE COMMITTEE REPORT ON H F. NO. 856

A bill for an act relating to welfare; authorizing the establishment of a centralized disbursement system for payments and for food stamp benefit documents; amending Minnesota Statutes 1976, Section 256.01, by adding a subdivision.

May 19, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 856 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. 856 be amended as follows:

Page 1, line 10, delete "statewide"

Page 1, line 17, delete "promulgate" and insert "adopt"

Page 2, line 2, delete "(3)" and insert "(2)"

Page 2, line 4, delete "act" and insert "section"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) John T. Clawson, Howard Neisen, Richard Wigley

Senate Conferees: (Signed) George Perpich, Tom Nelson, William G. Kirchner

Mr. Perpich moved that the foregoing recommendations and Conference Committee Report on H. F. No. 856 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. 856: A bill for an act relating to welfare; authorizing the establishment of a centralized disbursement system for payments and for food stamp benefit documents; amending Minnesota Statutes 1976, Section 256.01, by adding a subdivision.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Lewis	Peterson	Spear
Bang	Hughes	Luther	Pillsbury	Staples
Benedict	Jensen	McCutcheon	Purfeerst	Stokowski
Bernhagen	Johnson	Merriam	Renneke	Strand
Brataas	Keefe, J.	Milton	Schaaf	Stumpf
Chmielewski	Kirchner	Nelson	Schmitz	Ueland, A.
Coleman	Kleinbaum	Nichols	Setzepfandt	Ulland, J.
Engler	Knoll	Ogdahl	Sieloff	Vega
Gearty	Laufenburger	Penny	Sikorski	Wegener
Gunderson	Lessard	Perpich	Sillers	

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 recommendation and report of the Conference Committee on House File No. 848 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 848: A bill for an act relating to retirement; Minneapolis municipal employees retirement fund; miscellaneous amendments; establishment of a coordinated program; amending Minnesota Statutes 1976, Sections 422A.01, by adding subdivisions; 422A.06, Subdivision 6; 422A.08, Subdivisions 2 and 5; 422A.09, Subdivision 3; 422A.16, by adding a subdivision; 422A.18, Subdivision 2; 422A.23, Subdivision 7, and by adding a subdivision; and Chapters 355, by adding sections; and 422A, by adding sections.

House File No. 848 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 20, 1977.

CONFERENCE COMMITTEE REPORT ON H. F. NO. 848

A bill for an act relating to retirement; Minneapolis municipal employees retirement fund; miscellaneous amendments; establishment of a coordinated program; amending Minnesota Statutes 1976, Sections 422A.01, by adding subdivisions; 422A.06, Subdivision 6; 422A.08, Subdivisions 2 and 5; 422A.09, Subdivision 3; 422A.16, by adding a subdivision; 422A.18, Subdivision 2; 422A.23, Subdivision 7, and by adding a subdivision; and Chapters 355, by adding sections; and 422A, by adding sections.

May 19, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 848 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments.

We request adoption of this report and repassage of the bill.
House Conferees: (Signed) Al W. Patton, Donald M. Moe, Leo J. Reding

Senate Conferees: (Signed) Eugene E. Stokowski, Earl W. Renneke, Roger E. Strand

Mr. Stokowski moved that the foregoing recommendations and Conference Committee Report on H. F. No. 848 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. 848: A bill for an act relating to retirement; Minneapolis municipal employees retirement fund; miscellaneous amendments; establishment of a coordinated program; amending Minnesota Statutes 1976, Sections 422A.01, by adding subdivisions;

422A.06, Subdivision 6; 422A.08, Subdivisions 2 and 5; 422A.09, Subdivision 3; 422A.16, by adding a subdivision; 422A.18, Subdivision 2; 422A.23, Subdivision 7, and by adding a subdivision; and Chapters 355, by adding sections; and 422A, by adding sections.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hughes	Lessard	Perpich	Sillers
Bang	Jensen	Lewis	Peterson	Spear
Benedict	Johnson	Luther	Pillsbury	Staples
Bernhagen	Keefe, J.	McCutcheon	Purfeerst	Stokowski
Brataas	Keefe, S.	Merriam	Renneke	Strand
Chmielewski	Kirchner	Milton	Schaaf	Stumpf
Engler	Kleinbaum	Nelson	Schmitz	Ueland, A.
Gearty	Knoll	Nichols	Setzepfandt	Ulland, J.
Gunderson	Knutson	Ogdahl	Sieloff	Vega
Hanson	Laufenburger	Penny	Sikorski	Wegener

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 recommendation and report of the Conference Committee on House File No. 980 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 980: A bill for an act relating to public health; regulations for the preservation of public health; authorizing the state board of health to regulate the establishment, operation and maintenance of certain non-hospital clinical laboratories; amending Minnesota Statutes 1976, Section 144.12, Subdivision 1.

H. F. No. 980 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 20, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 980

A bill for an act relating to public health; regulations for the preservation of public health; authorizing the state board of health to regulate the establishment, operation and maintenance of certain non-hospital clinical laboratories; amending Minnesota Statutes 1976, Section 144.12, Subdivision 1.

May 19, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 980, 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. 980 be amended as follows:

Page 4, line 29, after the period insert "*The provisions of this clause shall expire 30 days after the conclusion of any fiscal year in which the federal government pays for less than 45 percent of the cost of regulating clinical laboratories.*"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Linda Scheid, Lyndon Carlson and O. J. Heinitz.

Senate Conferees: (Signed) Conrad Vega, George Perpich and Nancy Brataas.

Mr. Vega moved that the foregoing recommendations and Conference Committee Report on H. F. No. 980 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. 980: A bill for an act relating to public health; regulations for the preservation of public health; authorizing the state board of health to regulate the establishment, operation and maintenance of certain non-hospital clinical laboratories; amending Minnesota Statutes 1976, Section 144.12, Subdivision 1.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 46 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Keefe, J.	Merriam	Renneke	Strand
Benedict	Keefe, S.	Milton	Schaaf	Stumpf
Bernhagen	Kirchner	Nelson	Schmitz	Ueland, A.
Chmielewski	Kleinbaum	Nichols	Setzpfandt	Ulland, J.
Gearty	Knoll	Ogdahl	Sieloff	Vega
Gunderson	Knutson	Penny	Sikorski	Wegener
Hanson	Laufenburger	Perpich	Sillers	
Hughes	Lessard	Peterson	Spear	
Jensen	Luther	Pillsbury	Staples	
Johnson	McCutcheon	Purfeerst	Stokowski	

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 recommendation and report of the Conference Committee on House File No. 1102 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 1102: A bill for an act relating to state agencies; purchasing and furnishing goods and services; amending Minnesota Statutes 1976, Chapter 16, by adding a section; Sections 15.047, Subdivision 1; 16.02, Subdivisions 2, 13, 16, 19, and by adding a subdivision; 16.07, Subdivision 8, and by adding a subdivision; 16.72, Subdivision 2; 16.75, Subdivision 7; 16.80, Subdivision 1; 238.04, Subdivision 2; and 327.51, Subdivisions 1 and 3, and by adding a subdivision.

H. F. No. 1102 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 20, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1102

A bill for an act relating to state agencies; purchasing and furnishing goods and services; amending Minnesota Statutes 1976, Chapter 16, by adding a section; Sections 15.047, Subdivision 1; 16.02, Subdivisions 2, 13, 16, 19, and by adding a subdivision; 16.07, Subdivision 8, and by adding a subdivision; 16.72, Subdivision 2; 16.75, Subdivision 7; 16.80, Subdivision 1; 238.04, Subdivision 2; and 327.51, Subdivisions 1 and 3, and by adding a subdivision.

May 19, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1102, report that we have agreed upon the items in dispute and recommend as follows:

That H. F. No. 1102 be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1976, Section 15.047, is amended to read:

15.047 [MANUAL OF STATE AGENCY RULES; PUBLICATION.] Subdivision 1. The commissioner of administration shall publish a manual of state agency rules, which shall include all agency rules currently in effect. The manual shall be so designed as to allow for economic publication and distribution and efficient use. *The commissioner shall require each agency which has*

adopted and published rules in the state register to pay its proportionate cost of publishing those rules in the manual in excess of the fees received pursuant to subdivision 2.

Subd. 2. Rules and regulations published pursuant to this section may be sold by the commissioner of administration in the manner provided by sections 648.42 to 648.44 for a reasonable fee.

Sec. 2. [REGIONAL SERVICE CENTER FOR ECONOMIC DEVELOPMENT REGION THREE.] *Subdivision 1. The commissioner of administration shall establish a regional service center in economic development region number three. The state planning agency shall cooperate with the commissioner in establishing the need and location of the service center. The commissioner shall determine which state agencies shall be included in the service center. The commissioner may determine equitable methods of sharing space, personnel and equipment for the agencies he selects to participate in the service center. The service center shall be established only after determination by the commissioner that total costs to the state shall not increase.*

Subd. 2. The commissioner may enter into a rental lease for a base term of five years with a five year leasehold renewal option for the purpose of acquiring suitable space for the service center.

Subd. 3. Nothing contained in this section shall be considered as granting authority to the commissioner of administration to purchase property or construct buildings for the regional service center.

Sec. 3. Minnesota Statutes 1976, Section 16.02, Subdivision 2, is amended to read:

Subd. 2. To purchase, rent, or otherwise provide for the furnishing of all supplies, materials, equipment, printing, and utility services, prescribe standard specifications therefor, to provide for inspecting and testing the same, and otherwise to enforce compliance with such specifications; to prescribe and designate classes of state printing. The commissioner may also lease, rent or sell equipment, supplies and services to any state department or agency.

Sec. 4. Minnesota Statutes 1976, Section 16.02, is amended by adding a subdivision to read:

Subd. 6b. To establish rental rates for all living accommodations provided by the state for its employees. All moneys collected as rent by state agencies pursuant to this subdivision shall be deposited in the state treasury and credited to the general fund.

Sec. 5. Minnesota Statutes 1976, Section 16.02, Subdivision 13, is amended to read:

Subd. 13. To provide for the printing and distribution of the capitol guide book, official reports, and other publications of all kinds, and to supervise and control the form of such reports and publications so as to coordinate them, avoid duplications, and make them useful and informative to the public.

Sec. 6. Minnesota Statutes 1976, Section 16.02, Subdivision 16, is amended to read:

Subd. 16. To maintain and operate for state departments and agencies a central mailing service, and a duplicating *and printing* division in which all duplication *and printing* shall be done; to require that all equipment now or hereafter owned by the state be turned into the central duplicating *and printing* division for use therein with the following exceptions:

(a) duplicating machines may be used by any department, institution, or state agency not located in St. Paul or Minneapolis, or by the state division of emergency services, or by the attorney general, or by the bureau of criminal apprehension in the administration of police training;

(b) the motor vehicle department may continue to fill the necessary date on motor vehicle license registration cards on duplicating machines or by duplicating process;

(c) the department of personnel may continue to produce work of confidential nature on their own duplicating machines;

(d) the department of public service may utilize a duplicating machine for the purpose of issuing its orders and other work which is confidential until the time of its release;

(e) the board of investment may lease or purchase a duplicating machine.

The duplicating *and printing* work to be done by the duplicating *and printing* division shall be restricted to producing any form, booklet or pamphlet to the extent deemed appropriate by the commissioner of administration.

The term *terms* "duplicating *and printing*" as used in this subdivision means that material produced by use of stencils, masters and plates which are to be used on duplicating equipment not larger than 11 by 17 inches or 28 by 43 centimeters.

Sec. 7. Minnesota Statutes 1976, Section 16.02, Subdivision 19, is amended to read:

Subd. 19. To purchase from the state penal institutions, *university of Minnesota printing department* and other state institutions all articles manufactured by them which are usable by the state.

Sec. 8. Minnesota Statutes 1976, Section 16.07, is amended by adding a subdivision to read:

Subd. 16. *The commissioner may purchase, sell, repurchase or otherwise undertake the acquisition, rental or disposal of electronic data processing equipment as best serves the interests of the state, provided, however, the commissioner shall adhere to the competitive bidding requirements of chapter 16.*

Sec. 9. Minnesota Statutes 1976, Section 16.72, Subdivision 2, is amended to read:

Subd. 2. [RULES.] The commissioner of administration may adopt and enforce rules and regulations governing the parking of motor vehicles upon any such parking lot or facility so owned and operated by the state. Such rules and regulations shall be enacted in conformity with law and copies thereof shall be posted at every parking lot and facility the operation and use of which is governed by such rules and regulations provided to all persons who first become contract parkers after July 1, 1977; and shall also be provided upon request to any other contract parker. Each parking lot or facility shall be posted with notice of who is entitled to park there.

Sec. 10. Minnesota Statutes 1976, Section 16.75, Subdivision 7, is amended to read:

Subd. 7. The commissioner of administration shall establish all rules and regulations necessary for the efficient and economical operation, maintenance, repair, and replacement of state-owned motor vehicles in the central motor pool or any branch thereof. The regulations rules shall include the requirements for keeping records and reports and all schedules used as a basis for charging departments and agencies for the services furnished. They shall also provide for periodic reimbursements by the department or agency using the motor pool services. The commissioner of administration by rule or regulation shall provide for the uniform marking and coloring of all such motor vehicles. *The coloring for the motor vehicles shall be selected from the regular color chart provided by the manufacturer each year.* The commissioner may further provide by rule for the acquisition use of motor vehicles without uniform coloring for assignment to or marking by the division of criminal apprehension in the department of public safety and the office of the attorney general. The provisions of the administrative procedure act shall not apply to rules promulgated pursuant to this subdivision.

Sec. 11. Minnesota Statutes 1976, Section 327.51, Subdivision 1, is amended to read:

327.51 [DEFINITIONS.] Subdivision 1. As used in sections 327.51 to ~~327.54~~ 327.55, the terms defined in this section have the meanings given them.

Sec. 12. Minnesota Statutes 1976, Section 327.51, is amended by adding a subdivision to read:

Subd. 2a. "Commissioner" means the commissioner of administration.

Sec. 13. Minnesota Statutes 1976, Section 327.51, Subdivision 3, is amended to read:

Subd. 3. "Dealer" means a person, partnership, association, or corporation licensed as a mobile home dealer under section ~~168.27~~ 327.55.

Sec. 14. Minnesota Statutes 1976, Section 238.04, Subdivision 2, is amended to read:

Subd. 2. *Each member shall be appointed by the governor, by*

and with the advice and consent of the senate. No more than four members shall be from the same political party.

Sec. 15. [EFFECTIVE DATE.] *This act is effective July 1, 1977.*"

Further, strike the title and insert:

"A bill for an act relating to state agencies; revising procedures relating to the purchasing and furnishing of goods and services; amending Minnesota Statutes 1976, Sections 15.047; 16.02, Subdivisions 2, 13, 16, 19, and by adding a subdivision; 16.07, by adding a subdivision; 16.72, Subdivision 2; 16.75, Subdivision 7; 238.04, Subdivision 2; and 327.51, Subdivisions 1 and 3, and by adding a subdivision."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Leo Reding, David Beauchamp, Ken Zubay

Senate Conferees: (Signed) David D. Schaaf, Jerome O. Gunderson, James Ulland

Mr. Schaaf moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1102 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. 1102: A bill for an act relating to state agencies; revising procedures relating to the purchasing and furnishing of goods and services; amending Minnesota Statutes 1976, Sections 15.047; 16.02, Subdivisions 2, 13, 16, 19, and by adding a subdivision; 16.07, by adding a subdivision; 16.72, Subdivision 2; 16.75, Subdivision 7; 238.04, Subdivision 2; and 327.51, Subdivisions 1 and 3, and by adding a subdivision.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Hanson	Laufenburger	Penny	Sillers
Bang	Hughes	Lessard	Perpich	Solon
Benedict	Jensen	Lewis	Peterson	Spear
Bernhagen	Johnson	Luther	Pillsbury	Staples
Brataas	Keefe, J.	McCutcheon	Renneke	Stokowski
Chmielewski	Keefe, S.	Merriam	Schaaf	Strand
Coleman	Kirchner	Milton	Schmitz	Stumpf
Engler	Kleinbaum	Nelson	Setzepfandt	Ulland, J.
Gearty	Knoll	Nichols	Sieloff	Vega
Gunderson	Knutson	Ogdahl	Sikorski	Wegener

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Ashbach	Hughes	Luther	Peterson	Spear
Bang	Jensen	McCutcheon	Pillsbury	Staples
Benedict	Johnson	Merriam	Purfeerst	Stokowski
Bernhagen	Keefe, J.	Milton	Renneke	Strand
Brataas	Keefe, S.	Moe	Schaaf	Stumpf
Chmielewski	Kirchner	Nelson	Schmitz	Ulland, J.
Coleman	Knoll	Nichols	Setzepfandt	Vega
Engler	Knutson	Ogdahl	Sieloff	Willet
Gearty	Laufenburger	Olson	Sikorski	
Gunderson	Lessard	Penny	Sillers	
Hanson	Lewis	Perpich	Solon	

The Sergeant at Arms was instructed to bring in the absent members.

MOTIONS AND RESOLUTIONS—CONTINUED
SUSPENSION OF RULES

Mr. Schaaf 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. 420 and that the rules of the Senate be so far suspended as to give H. F. No. 420, now on General Orders, its third reading and place it on its final passage. The motion prevailed.

H. F. No. 420: A bill for an act relating to education; Montessori schools; excluding Montessori schools from day care regulation; appropriating money; amending Minnesota Statutes 1976, Section 245.791.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 48 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Knutson	Perpich	Staples
Ashbach	Hanson	Lewis	Peterson	Stokowski
Bang	Hughes	Luther	Pillsbury	Strand
Benedict	Jensen	McCutcheon	Purfeerst	Stumpf
Bernhagen	Johnson	Merriam	Renneke	Ulland, J.
Brataas	Keefe, J.	Milton	Schaaf	Vega
Chmielewski	Keefe, S.	Moe	Schmitz	Wegener
Coleman	Kirchner	Nichols	Setzepfandt	Willet
Engler	Kleinbaum	Ogdahl	Sieloff	
Frederick	Knoll	Olson	Spear	

Messrs. Lessard and Penny voted in the negative.

So the bill passed and its title was agreed to.

SUSPENSION OF RULES

Mr. Willet 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. 1236 and that the rules of the Senate be so far suspended as to give H. F. No. 1236, now on Special Orders, its third reading and place it on its final passage. The motion prevailed.

H. F. No. 1236: A bill for an act relating to water resources; creating a water planning board; prescribing its duties; regulating the appropriation and use of water; establishing emergency restrictions on the use of state waters for irrigation and other purposes; establishing procedures for the processing of irrigation permits; requiring municipal water supply authorities to conserve water during shortages; appropriating money; amending Minnesota Statutes 1976, Sections 105.41, Subdivisions 1, 1a and by adding a subdivision; 105.415; 105.44, Subdivisions 1, 2, 3, 4, 5, 6, 8, and 10; 105.462; 105.482, Subdivisions 3 and 5; 156A.07, Subdivision 4; and Chapter 105, by adding a section.

Mr. Willet moved to amend H. F. No. 1236, as amended pursuant to Rule 49, adopted by the Senate May 21, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 1201.)

Page 7, line 26, after the period insert "*Any hearing pursuant to this section shall be conducted as a contested case in accordance with chapter 15. If the commissioner elects to waive a hearing, and*"

Page 8, line 27, after the period insert "*The commissioner shall also fulfill any notice requirements prescribed by section 15.0418 and rules of the chief hearing examiner.*"

Page 8, line 30, after "HEARING" insert "COSTS"

Page 8, line 30, strike "The hearings shall be public and"

Page 8, strike lines 31 and 32

Page 9, strike lines 1 to 6

Page 9, line 7, strike "evidence or of pleading and procedure."

Page 9, line 9, after "following" insert a comma

Page 9, line 10, after "action" insert "*, taken pursuant to subdivision 2,*"

Page 9, line 14, after "commissioner" insert "*; however, in no event shall the applicant pay more than \$750*"

Page 9, line 30, after the period, insert "*In all other instances, costs of the hearing shall be borne in the manner prescribed by chapter 15 and the chief hearing examiner.*"

Page 10, line 15, strike the new language

Page 10, strike lines 16 and 17

Page 10, line 18, strike "*appropriation is located.*"

Page 10, line 24, strike "*the date*" and insert "*receipt*"

Page 16, strike line 2

Page 16, line 3, after "A" insert "*and B*"

Page 16, line 4, strike everything after the period

Page 16, strike lines 5 to 7

Page 16, line 8, strike "3" and insert "2"

Page 16, line 23, after "test" insert "supervised by the commissioner or his designee,"

Page 17, line 18, strike "4" and insert "3"

Page 19, strike lines 31 and 32

Page 20, strike lines 1 to 4

Page 20, line 5, strike "22" and insert "21"

Page 20, line 12, strike "\$500,000" and insert "\$400,000"

Page 20, line 13, strike "19" and insert "20"

Page 20, line 19, strike "2" and insert "3"

Page 20, line 23, strike "19" and insert "20"

Page 20, line 24, strike "\$135,000" and insert "\$270,000"

Page 21, line 2, strike "11" and insert "12"

Page 21, line 4, strike "sum of \$2,000 to each" and insert "money appropriated in this subdivision among"

Page 21, line 5, strike "district" and insert "districts"

Page 21, line 5, strike "has" and insert "have"

Page 21, line 10, strike "23" and insert "22"

The motion prevailed. So the amendment was adopted.

H. F. No. 1236 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Penny	Spear
Ashbach	Gearty	Leasard	Perpich	Staples
Bang	Gunderson	Lewis	Purfeerst	Stokowski
Benedict	Hanson	Luther	Renneke	Strand
Bernhagen	Hughes	McCutcheon	Schaaf	Stumpf
Brataas	Jensen	Milton	Schmitz	Ueland, A.
Chmielewski	Johnson	Moe	Setzepfandt	Ulland, J.
Coleman	Keefe, S.	Nelson	Sieloff	Vega
Dunn	Kirchner	Olhoft	Sikorski	Wegener
Engler	Knutson	Olson	Solon	Willet

So the bill, as amended, passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Olson moved that S. F. No. 1203, No. 2 on General Orders, be stricken and re-referred to the Committee on Local Government. The motion prevailed.

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.

APPOINTMENTS

Mr. Coleman, from the Subcommittee on Committees, recommends that the following named Senators be and they hereby are appointed as a Conference Committee on:

H. F. No. 586, pursuant to the request of the House:

Messrs. McCutcheon, Merriam, and Sieloff.

Mr. Coleman moved that the foregoing appointments be approved. The motion prevailed.

RECESS

Mr. Coleman moved that the Senate do now recess until 3:00 o'clock p.m. The motion prevailed.

The hour of 3:00 o'clock p.m. having arrived, the President called the Senate to order.

Pursuant to Rule 21, Mr. Merriam moved that the following members be excused for a Conference Committee on H. F. No. 550 at 3:00 p.m.:

Messrs. Merriam, Anderson, Hughes, Dieterich and Sillers. The motion prevailed.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Ashbach	Gearty	Lessard	Peterson	Spear
Bang	Gunderson	Lewis	Pillsbury	Stokowski
Benedict	Hanson	Luther	Purfeerst	Strand
Bernhagen	Humphrey	Menning	Renneke	Stumpf
Borden	Johnson	Moe	Schmitz	Ulland, J.
Chmielewski	Keefe, S.	Nelson	Schrom	Vega
Coleman	Kirchner	Nichols	Setzepfandt	Wegener
Dunn	Kleinbaum	Ogdahl	Sieloff	Willet
Engler	Knutson	Penny	Sikorski	
Frederick	Laufenburger	Perpich	Solon	

The Sergeant at Arms was instructed to bring in the absent members.

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.

MEMBERS EXCUSED

Mr. Chmielewski was excused from the Session of today at 3:30 o'clock p.m.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Ashbach	Gunderson	Lewis	Perpich	Staples
Bang	Hughes	Menning	Peterson	Stokowski
Benedict	Humphrey	Milton	Pillsbury	Strand
Bernhagen	Jensen	Moe	Purfeerst	Stumpf
Borden	Johnson	Nelson	Renneke	Ueland, A.
Brataas	Keefe, S.	Nichols	Schaaf	Ulland, J.
Dunn	Kleinbaum	Ogdahl	Setzepfandt	Wegener
Engler	Knoll	Olhoft	Sikorski	Willet
Frederick	Knutson	Olson	Solon	
Gearty	Laufenburger	Penny	Spear	

The Sergeant at Arms was instructed to bring in the absent members.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Anderson moved that H. F. No. 447 be recalled from the House for further consideration. The motion prevailed.

S. F. No. 1416 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1416

A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes, including appropriations for the departments of public welfare, vocational rehabilitation, corrections, corrections ombudsman, health, health related boards, and public assistance programs; and repealing Minnesota Statutes 1976, Section 261.233.

May 20, 1977

The Honorable Edward J. Gearty
President of the Senate

The Honorable Martin O. Sabo
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1416, report that we have agreed upon the items in dispute and recommend as follows:

That S. F. No. 1416 be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. [WELFARE, CORRECTIONS, HEALTH; APPROPRIATIONS.] The sums set forth in the columns designated “APPROPRIATIONS” are appropriated from the general fund, or any other fund designated, to the agencies and for the purposes

specified in the following sections of this act, to be available for the fiscal years indicated for each purpose. The figures "1977", "1978", and "1979", wherever used in this act, mean that the appropriation or appropriations listed thereunder shall be available for the year ending June 30, 1977, June 30, 1978, or June 30, 1979, respectively.

APPROPRIATIONS

Available for the Year
Ending June 30,

1978 1979

\$ \$

Sec. 2. COMMISSIONER OF PUBLIC WELFARE

Subdivision 1. Program and Administrative Support

20,102,385 20,279,520

Approved Complement—202.75

The amounts that may be expended from this appropriation for each activity are as follows:

Special County Aids

\$ 3,000,000 \$ 3,000,000

County Administrative Cost Reimbursement

\$12,100,000 \$12,184,700

Administrative Support

\$ 5,002,385 \$ 5,094,820

All payments from money appropriated for equalization aid shall be based upon a formula that includes four factors: recipient rate, per capita income, per capita taxable value, and per capita expenditures for welfare.

Salary expenditures for computation of equalization aid shall not be included for purposes of computing county per capita welfare costs or in county welfare costs.

Notwithstanding any law to the contrary, initial payments for equalization aid to counties shall be made on or before October 1, 1977, for fiscal year 1978 and on or before October 1, 1978, for fiscal year 1979. Final payments shall be made before October 1 of the following fiscal year.

1978

1979

\$

For the purposes of equalization aid, welfare costs shall be deemed to include all forms of public assistance and the administrative costs thereof, to-wit: medical assistance, aid to dependent children, Minnesota supplemental assistance, payments to the commissioner of public welfare for care and treatment of patients in state institutions, medical relief, hospital charges, maintenance of children not under state guardianship, general assistance, and all administrative costs except university hospitals care, care of children under state guardianships, and poor burials.

No county shall be entitled to the benefits of this act if it has transferred any money available for welfare purposes to any other county funds, except that where money is otherwise unavailable, a transfer may be made to the general revenue fund of the county for payment of rent of office space for the county welfare board. A transfer shall be made only with the approval of the governor after consultation with the Minnesota public relief advisory committee. Transfer of money for payment of rent shall not be considered an expenditure for equalization aid reimbursement. Any federal money received in lieu of taxes because of federal grants shall be available for welfare purposes.

No county shall receive from state money paid for equalization aid an amount in excess of 75 percent of its cost of welfare as defined in this subdivision.

Notwithstanding any law to the contrary, the formula used in this subdivision for equalizing welfare costs shall be used for computing distressed county aid for daytime activity centers and community mental health centers.

Any money appropriated by this subdivision for the Red Lake Band of

1978

1979

\$

\$

Chippewa Indians in excess of the county costs for this purpose shall cancel to the general fund.

Reimbursements for general relief—Indians and the Red Lake Band of Chippewa Indians shall be prorated if the appropriation made in this subdivision is insufficient to provide full reimbursement.

Estimated federal money to be deposited in the general fund that is earned by the various accounts of the department of public welfare is detailed on the worksheets of the conferees of the senate and house of representatives, a true copy of which is on file in the office of the commissioner of finance. If federal money anticipated is less than shown on the official worksheets, the commissioner of finance shall reduce the amount available from the specific appropriation by a like amount. The reductions shall be noted in the budget document submitted to the 71st legislature in addition to an estimate of similar federal money anticipated for the 1979-1981 biennium.

Not more than \$5,000 annually is appropriated from salary savings to be used for the payment of interview expenses of job applicants, pursuant to section 245.035.

Notwithstanding any state law to the contrary, the commissioner of public welfare shall not adjust the budget standards for any categorical aid program in excess of the amount authorized by the legislature, unless federal statute or regulation require it.

Recipients of Minnesota supplemental assistance living in nonmedical congregate care or foster care shall receive the same personal needs allowance as recipients of medical assistance residing in intermediate care facilities.

The commissioner of public welfare shall adjust the benefits payable to

1978

1979

\$

\$

the aged, blind and disabled recipients pursuant to Minnesota Statutes, Sections 256D.36 and 256D.37 who do not reside in congregate care or foster care facilities in an amount equivalent to the cost of living adjustments in the federal supplemental security income program.

In determining the amount of the public assistance grants, the commissioner shall effect a five percent increase on July 1, 1977 and a five percent increase on July 1, 1978.

Subd. 2. Community Services

40,688,976

43,330,283

Approved Complement—119

The amounts that may be expended from this appropriation for each activity are as follows:

Community Mental Health Centers

\$16,327,237 \$16,903,172

Daytime Activity Centers

\$7,961,500 \$8,684,888

Day Care

\$1,078,117 \$1,139,303

Cost of Care—

Emotionally Disturbed

\$ 1,016,600 \$ 1,089,596

Mentally Retarded

\$ 3,565,460 \$ 3,781,188

Residential Services—

Mentally Ill

\$876,000 \$910,000

Mentally Retarded

\$616,481 \$678,705

Chemically Dependent

\$3,917,790 \$4,495,918

Vocational Rehabilitation of the Blind

\$ 2,780,480 \$ 2,879,451

Notwithstanding any other law, no client receiving aid from services for the blind for purposes of vocational rehabilitation shall be required to maintain grade point ratios or other

1978

1979

\$

\$

scholastic requirements in excess of the educational or vocational institutions requirements for all students attending such institutions.

Foster Grandparents

\$350,000 \$400,000

Program Support

\$2,199,311 \$2,368,062

The appropriation for Community Mental Health Centers provides for a 50 percent matching, except for counties affected by equalization aid, of local community mental health centers approved expenditures.

Any conditions imposed by the granting agency upon the local vendor of nutritional services shall not be more restrictive than state law or federal regulation.

Notwithstanding any law to the contrary, county boards may select the appropriate contiguous region to associate with for community mental health services.

The Daytime Activity Centers appropriation provides for a 60 percent matching, except for counties affected by equalization aid payments, of local daytime activity centers approved expenditures.

Up to \$25,000 of the appropriation for foster grandparents may be retained by the Minnesota board on aging as a fee for administrative services and expenses, pursuant to Minnesota Statutes, Section 256.976.

Of the sum of \$775,000 appropriated from the general fund by Laws 1976, Chapter 125, Section 10, Subdivision 3, for residential and aftercare treatment programs or facilities for native Americans, up to \$500,000 of the unexpended balance is hereby reappropriated to the commissioner of public welfare for the purposes of Laws 1976, Chapter 125, Section 3.

	1978	1979
	\$	\$
Subd. 3. Income Maintenance	252,026,604	265,826,134
Approved Complement—215		
The amounts that may be expended from this appropriation for each activity are as follows:		
Aid to Families with Dependent Children, Medical Assistance, and Minnesota Supplemental Assistance	\$214,233,076	\$225,392,098
General Assistance and General Assistance Medical Care	\$ 31,421,600	\$ 34,004,551
Centralized Disbursement	\$ 5,101,021	\$ 5,155,648
Support	\$ 1,270,907	\$ 1,273,837
General Assistance deficiency	\$ 2,413,669 for 1977	

If the appropriation for aid to families with dependent children, medical assistance, Minnesota supplemental assistance and general assistance medical care is insufficient for either year, the appropriation for the other year shall be available therefor by direction of the governor after consulting with the legislative advisory commission.

Notwithstanding the provisions of any other law, the commissioner of public welfare may utilize the money provided in this subdivision, pursuant to the approval of the governor, to pay a portion of the cost of day care and vocational training programs.

The portion of the cost not paid by federal money shall be paid equally from state and local money. The cases selected by the commissioner for the new programs, on the average, shall not have a greater cost than if they remained in this program. The commissioner shall develop criteria, selection principles, and other rules to carry out the intent of this provision.

1978

1979

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\$

The commissioner of public welfare shall provide supplementary grants, not to exceed \$150,000 per year, for aid to families with dependent children and shall include the following costs in determining the amount of the supplementary grants: major home repairs, repair of major home appliances, utility recaps, supplementary dietary needs not covered by medical assistance, and replacement of essential household furnishings and essential major appliances.

The amount appropriated for implementation of Minnesota Statutes, Section 245.0313 shall be available only if matched by federal money. If the cost of care in state institutions falls below the projections used for implementation of Minnesota Statutes, Section 245.0313, any excess appropriation shall revert to the general fund.

Notwithstanding any law to the contrary, counties may retain one half of the non-federal share of medical assistance collections from estates which are directly attributable to county effort.

The commissioner of public welfare shall develop a proposal for containment of medical costs including proposed rules requiring specific recipients to be charged a nominal amount toward cost of medical services provided under medical assistance and general assistance medical care. Such proposal shall be submitted to and acted upon by the 1978 legislature before becoming effective. The payments shall not be required from recipients of (1) supplemental aid as defined in section 256D.35, subdivision 4, (2) the welfare allowance for clothing and personal needs pursuant to section 256B.35, or (3) the special personal allowance pursuant to section 256B.36. Recipients of assistance pursuant to section 256.73 shall not be required to make any payments for

1978

1979

\$

\$

services provided pursuant to section 256B.02, subdivision 8, clauses (1), (2), (3), (4), (5) and (9). The amount of payments required shall not exceed those allowed by 45 Code of Federal regulations section 249.40 as of October 1, 1976.

The commissioner of public welfare is authorized to make the adjustments he deems necessary in the medical assistance, catastrophic health, and general assistance medical payments to assure expenditures do not exceed the appropriations for such programs. The initial adjustment shall be to eliminate inequities, and any adjustments thereafter shall be on a nondiscriminatory basis.

Provided that medical assistance may include personal care services in a recipient's home rendered by an individual, not a member of the family, who is qualified to provide the services, when the services are prescribed by a physician in accordance with a plan of treatment and are supervised by a registered nurse.

Subd. 4. Residential Services	99,434,468	98,233,726
Approved Complement—		
State Hospitals—5454		
Nursing Homes—617		
Support—49.5		

The amounts that may be expended from this appropriation for each activity are as follows:

State Hospitals

Current Expense

\$11,094,984 \$11,818,036

Salaries

\$75,519,420 \$75,560,469

Repairs, replacements, and road maintenance

\$1,318,514

	1978	1979
	\$	\$
Special Equipment		
\$601,750		
Nursing Homes		
Current Expense		
\$1,409,750	\$1,554,314	
Salaries		
\$7,905,271	\$7,912,884	
Repairs, replacements, and road maintenance		
\$128,810		
Special Equipment		
\$69,607		
Support		
\$1,386,362	\$1,388,023	

The commissioner of public welfare is authorized to fill up to 100 human services technician positions in the state hospitals in addition to the legislative complement enumerated in section 2, subdivision 4 for the purpose of alleviating recruitment delays in direct patient care, as salary savings become available to fund such positions.

\$100,000 of the appropriation for state hospitals is available to develop plans for a new security facility for 150 to 160 residents to be located on the St. Peter state hospital campus. The commissioner of public welfare shall submit the plan to the legislature by January 16, 1978.

Any unexpended balance remaining in the first year for special equipment and repairs and replacements shall not cancel but shall be available for the second year of the biennium.

A special account in the department of public welfare may be established from this appropriation to pay for special costs relating to the mental health

	1978	1979
	\$	\$
commitment act and review boards for veterans hospitals.		
All new positions granted in these appropriations for hospitals and nursing homes shall be direct patient care positions.		
As the hospital population decreases, the supportive staff complement shall be reduced in direct proportion.		
The commissioner of public welfare shall equitably distribute the positions authorized by the legislature between the state hospitals consistent with the over all program of the department.		
The information for the budgets for the nursing homes, and hospitals shall be submitted to the 1979 legislature on an individual hospital basis together with a summary budget in the same format as the legislature appropriated money.		
Positions and administrative money may be transferred between the various activities within each subdivision in this section.		
Subd. 5. 1977 employee compensation plan	9,504,889	11,035,991
This appropriation shall be added to the subdivisions in this section in the following amounts:		
	1978	1979
For subdivision 1.	\$400,000	\$463,000
For subdivision 2.	246,523	285,912
For subdivision 3.	298,366	347,079
For subdivision 4.	8,560,000	9,940,000
Sec. 3. COMMISSIONER OF VOCATIONAL REHABILITATION		
Subdivision 1. Vocational Rehabilitation Services	2,227,870	2,292,921
Subd. 2. Sheltered Employment and Work Activity	2,290,717	3,136,477
Subd. 3. General Support	168,934	172,251

1978

1979

Funds received from worker's compensation carriers for services provided by the department of rehabilitation for the benefit of injured workers, shall be deposited in the accounts of the department of rehabilitation, and reported in the same ratio to state and federal funds expended. Should such deposits exceed the amount shown on worksheets of the conferees of the Senate and House of Representatives, the commissioner of finance shall reduce the amounts available from the general appropriation for the department of rehabilitation by the amount of such excess. The federal share of these recoupments shall be deposited as required by federal law, regulation and guideline.

Subd. 4. The commissioner of vocational rehabilitation may expend money received from school districts, governmental subdivisions, mental health authorities, and private nonprofit organizations for the purpose of conducting joint or cooperative vocational rehabilitation programs, and this money is appropriated for these purposes.

Subd. 5. The number of state funded positions shall not exceed the number shown on official worksheets.

Subd. 6. 1977 employee compensation plan

21,123

21,123

This appropriation shall be added to the subdivisions in this section in the following amounts:

	1978	1979
For subdivision 1.	\$19,732	\$19,732
For subdivision 2.	1,391	1,391

Sec. 4. COMMISSIONER OF CORRECTIONS

Subdivision 1. General Support

4,389,045

4,407,367

Approved Complement—99.7 for 1978

97.7 for 1979

The amounts that may be expended

	1978	1979
	\$	\$
from this appropriation for each activity are as follows:		
County Probation Reimbursement		
\$1,154,609	\$ 1,339,955	
Notwithstanding any law to the contrary, any surplus money in the county probation reimbursement appropriation occurring as a result of an excess appropriation shall cancel to the general fund.		
On or before October 30 of each year, each county or group of counties shall submit to the commissioner of corrections an estimate of the cost for county probation reimbursement. Reimbursement shall be made on the basis of the estimate submitted or the actual expenditure, whichever is less.		
Subsidy Programs		
\$ 490,000	\$ 340,000	
Support		
\$2,744,436	\$2,727,412	
County Probation Reimbursement deficiency		
\$ 284,000 for 1977		
This appropriation includes money for training of group home parents in county homes.		
No new program may be implemented unless a statistical evaluation of its objectives and accomplishments accompanies the development of the program.		
Subd. 2. Special Services	2,498,141	2,302,121
Approved Complement—42.3		
The amounts that may be expended from this appropriation for each activity are as follows:		
Health Care		
\$1,884,902	\$1,705,973	
\$72,000 of this appropriation is available as the state's share for providing a		

1978

1979

\$

\$

secure holding area at the St. Paul-Ramsey Hospital.

\$778,000 of this appropriation is available to establish, staff, equip, maintain and operate a psychiatric unit at one of the adult correctional institutions for the care and treatment of inmates who become mentally ill.

Any person confined in a state correctional institution for adults who had been adjudicated to be mentally ill and in need of treatment, may be committed to the commissioner of corrections and placed in the psychiatric unit established pursuant to this subdivision.

Education

\$ 384,357 \$ 359,357

Support

\$ 228,882 \$ 236,791

The health care appropriation shall be used to provide professional health care to persons confined in institutions under the control of the commissioner of corrections, and to cover costs of their care in hospitals and other medical facilities not under the control of the commissioner of corrections, including the secure treatment unit operated by the St. Paul-Ramsey Hospital. All reimbursements for such health care services shall be deposited in the general fund.

Subd. 3. Community Services

9,169,850

12,756,590

Approved Complement—138.9 for 1978

140.9 for 1979

The amounts that may be expended from this appropriation for each activity are as follows:

Probation and Parole

\$2,636,652 \$2,654,391

Residential Programs

1978

1979

	\$	\$
\$1,475,310	\$1,522,669	

Community Corrections Act

\$5,057,888	\$8,579,530
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Hennepin county may operate the Hennepin county adult corrections facility. All employees of the city of Minneapolis currently working at the Hennepin county adult correctional facility pursuant to the terms of Laws 1975, Chapter 402, Section 1, will transfer to employment with Hennepin county as of July 1, 1977, subject to the terms of Laws 1975, Chapter 402, Section 1, Subdivisions 2 and 3 and Section 2.

As counties begin participating in the corrections subsidy act, the complement of the central office shall be reduced by the number of positions transferred to the counties entering the act.

The commissioner of corrections shall select the counties that may participate under the corrections subsidy act after consulting with the appropriate finance committees of the legislature.

Subd. 4. Correctional Institutions	28,573,868	27,392,641
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Approved Complement — 1149.5**Current Expense**

\$ 7,348,801	\$ 6,092,143
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Salaries

\$20,562,654	\$20,685,392
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Special Equipment

\$ 207,872	\$ 206,393
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Repairs and Replacements

\$ 454,541	\$ 408,713
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Deficiency

\$ 535,300 for 1977

\$140,000 of this appropriation is available to develop a case management team for programming for the most difficult to handle juveniles.

1978

1979

Any unexpended balances in special equipment and repairs and replacements remaining in the first year shall not cancel but shall be available for the second year of the biennium.

Notwithstanding any law to the contrary, any encumbered money appropriated by Laws 1971, Chapter 963, Section 2, Subdivision 15, Clause (2) and Laws 1971, Chapter 963, Section 2, Subdivision 16, Clause (4) shall not cancel, but shall remain available until the projects are completed.

Subd. 5. 1977 employee compensation plan

2,550,325

2,963,693

This appropriation shall be added to the subdivisions in this section in the following amounts:

	1978	1979
For subdivision 1.	\$209,343	\$233,550
For subdivision 2.	73,805	85,919
For subdivision 3.	275,946	324,618
For subdivision 4.	1,991,231	2,319,606

Sec. 5. CORRECTIONS OMBUDSMAN Subdivision 1. Salaries, Supplies and Expense

199,000

199,000

Subd. 2. 1977 employee compensation plan

19,337

22,037

Sec. 6. BOARD OF HEALTH Subdivision 1. Preventive and Personal Health Services

5,831,360

6,228,694

Approved Complement — 173.75

Notwithstanding any law to the contrary the department of health shall use JCAH accreditation as evidence of licensure for all hospitals so accredited.

The governor shall appoint a three member panel to study the health effects regarding fluoridation of the municipal water supplies. Up to \$15,000 of this appropriation may be used for this purpose. Any municipal water supply not fluoridated in compliance with the rules of the state board

	1978	1979
	\$	\$
of health as of January 1, 1977 need not comply with the rules until July 1, 1979:		
Subd. 2. Medical Laboratory Services Contingent		106,000

The department of health shall submit a report on or before January 3, 1978 to the house appropriations committee and the senate finance committee regarding medical laboratory services. The report shall include but not be limited to: a schedule of present fees, proposed new fees, enumeration of inadequate fees, proposed changes in present fees, and an assessment of the medical laboratories in the state to see if the services could be provided by them rather than the health department's medical laboratory.

On or after July 1, 1978 the department of health shall implement the proposed fee schedule except for those parts specifically rejected by the legislature.

This appropriation shall be prorated by the department of finance according to the portion of the year for which the proposed fees are charged.

 Subd. 3. Health Systems Quality Assurance

1,339,339	1,361,928
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Approved Complement—64.25

Of this appropriation \$244,182 for fiscal year 1978 and \$245,409 for fiscal year 1979 are appropriated from the trunk highway fund for emergency medical services activities.

The department of health shall on or before January 15, 1978, report to the legislature with its recommendations for the appropriate type of training for nursing assistants, the appropriate type or types of institutions which should offer the training programs, the method or methods to be used in funding the training programs, and the appropriate state agency to regulate the training programs.

	1978	1979
	\$	\$
Subd. 4. Health Support Services	9,127,528	9,489,177
Approved Complement—79.5		

As counties begin participating in the community health services act, the complement of the department shall be reduced by the number of positions transferred to the counties entering the act.

For the purposes of the community health services act, the commissioner of finance may authorize the transfer of money to the community health services activity from the other subdivisions in section 6.

If the appropriation for community health services is insufficient for either year, the appropriation for the other year shall be available therefor by direction of the governor after consulting with the legislative advisory commission.

Subd. 5. Community Health Subsidy Contingent

1,542,877

The commissioner of finance shall not permit the allotment of these funds until the department of health certifies the eligibility of the counties who will participate in the act.

Subd. 6. 1977 employee compensation plan

512,366

598,055

This appropriation shall be added to the subdivisions in this section in the following amounts:

	1978	1979
For subdivision 1.	\$274,656	\$319,596
For subdivision 3.	109,830	127,824
Of this appropriation, \$18,900 for fiscal year 1978 and \$21,920 for fiscal year 1979 are appropriated from the trunk highway fund for emergency medical services activities.		
For subdivision 4.	127,880	150,635

Sec. 7. HEALTH RELATED BOARDS

	1978	1979
	\$	\$
Subdivision 1. Board of Chiropractic Examiners	34,223	34,426
Subd. 2. Board of Dentistry	165,941	166,057
Subd. 3. Board of Medical Examiners	277,955	278,886
Subd. 4. Board of Nursing	522,923	524,049
Subd. 5. Board of Examiners for Nursing Home Administrators	60,588	60,975
Notwithstanding the provision of section 144A.04, subdivision 5, a nonproprietary retirement home having less than 15 licensed nursing home beds may share the services of a licensed administrator with a nonproprietary nursing home having less than 150 licensed nursing home beds which is located within 25 miles of the retirement home.		
Subd. 6. Board of Optometry	33,808	33,810
Subd. 7. Board of Pharmacy	200,983	201,835
Subd. 8. Board of Podiatry	5,366	5,437
Subd. 9. Board of Psychology	35,727	37,076
Subd. 10. Board of veterinary Medicine	21,404	21,849
Subd. 11. The commissioner of finance shall not permit the allotment, encumbrance, or expenditure of any money appropriated in this section in excess of the anticipated biennial revenues.		
Subd. 12. 1977 employee compensation plan	62,239	71,939

This appropriation shall be added to the subdivisions in this section in the following amounts:

	1978	1979
For subdivision 1.	\$463	\$525
For subdivision 2.	4,881	5,600
For subdivision 3.	11,156	12,913
For subdivision 4.	26,489	30,758
For subdivision 5.	3,671	4,170

		1978	1979
		\$	\$
For subdivision 6.	1,100	1,250	
For subdivision 7.	12,969	15,003	
For subdivision 9.	1,510	1,720	
Sec. 8. CONTINGENT FOR STATE INSTITUTIONS		600,000	

This appropriation shall be used for emergency purposes and for the purchase of food, clothing, drugs, and fuel for any of the institutions for which an appropriation is made in this act. No expenditure shall be made from this appropriation without the direction of the governor after consultation with the legislative advisory commission.

Any unexpended balance remaining in the first year shall not cancel but shall be available for the second year of the biennium.

The allowance for food may be adjusted annually according to the United States department of labor, bureau of labor statistics publication wholesale price index, upon the approval of the governor. Adjustments shall be based on the June, 1977, wholesale food price index, but the adjustment shall be prorated if the wholesale food price index adjustment would require money in excess of this appropriation.

Sec. 9. WORKERS' COMPENSATION

To be transferred by the commissioner of finance to the department of labor and industry, compensation revolving fund, for fiscal year 1977, in payment of obligations incurred by the following departments in the amounts indicated:

Corrections	267,930
Public Welfare	966,852

Sec. 10. UNEMPLOYMENT COMPENSATION

To the unemployment compensation fund for fiscal year 1977, in reimbursement of unemployment compensation

	1978	1979
	\$	\$
benefits paid for former employees of the following departments:		
Corrections	296,985	
Correction Ombudsman	3,098	
Public Welfare	1,044,934	

Sec. 11. RECEIPTS. All funds, sums of money, or other resources provided or to be received, including all receipts, collections, legislative allocations, transfers, and other income and receipts properly belonging to and to be used for financing activities, programs, and other projects other than the institutions now or hereafter under the supervision and jurisdiction of the commissioner of public welfare not otherwise specifically designated as income or credits to other state departments or funds by law, shall be credited to and become a part of the appropriations provided for in section 2, subdivisions 1, 2, and 3.

Sec. 12. PROVISIONS. Money appropriated under this act for the purchase of provisions within the item "current expense" shall be used solely for that purpose. The amounts appropriated for provisions are shown on the worksheets of the conferees of the senate and house of representatives, a true copy of which is on file in the offices of the commissioner of finance. Any money so provided and not used for purchase of provisions shall be cancelled into the fund from which appropriated, except that money so provided and not used for the purchase of provisions because of population decreases may be transferred and used for the purchase of medical and hospital supplies after consultation with the legislative advisory commission, whose opinion shall be advisory only.

Sec. 13. TRANSFERS. Subdivision 1. The commissioner of public welfare, the commissioner of corrections, the commissioner of vocational rehabilitation and the commissioner of health shall not transfer any money to or from personnel services, or claims and grants, as shown on the official worksheets of the conferees of the senate and house of representatives, a true copy of which is on file in the office of the commissioner of finance, except for those transfers that have the written approval of the governor, who shall consult with the legislative advisory commission for its recommendations, which shall be advisory only.

Subd. 2. The commissioner of public welfare by direction of the governor after consulting with the legislative advisory commission may transfer unobligated appropriation balances and positions between the various subdivisions.

Subd. 3. The commissioner of corrections may transfer appropriations and authorized positions among all subdivisions of section 4 in the best interest of the security and rehabilitation programs and for more efficient utilization of personnel and facilities. Transfers shall be made with the written approval of the governor after consulting with the legislative advisory commission.

Sec. 14. APPROVED COMPLEMENT. Except as otherwise provided, whenever an appropriation made in this act to any institution or agency discloses an approved complement, the institution or agency is limited in the employment of the number of full-time equivalent persons indicated by the approved complement. Part-time and summer student help may be employed with the advance approval of the commissioner of finance and shall not be included in the approved complement. The approved complement does not include employees engaged in repair or construction projects who may be employed only with the advance approval of the commissioner of finance.

Additional employees over the number of the approved complement may be employed on the basis of public necessity or emergency with the written approval of the governor, but the governor shall not approve the additional personnel until he has consulted with the legislative advisory commission. Any requests for increases in the approved complement shall be forwarded to the appropriate committees on finance of the legislature not less than 30 days prior to the legislative advisory commission meeting.

Sec. 15. STAFF HOUSING. The commissioner of corrections shall reduce staff housing as soon as possible.

Sec. 16. FISCAL NOTES. Notwithstanding any other law to the contrary, the departments of health, public welfare, vocational rehabilitation, corrections and the health related boards shall not put into effect any rule, regulation, or standard, which has a fiscal impact in excess of \$100,000 annually without first providing the house appropriations and the senate finance committees with fiscal notes.

Sec. 17. On May 1, 1978, the Hastings state hospital shall be closed. The veterans affairs department may establish a veterans home on that campus upon the approval of the 1978 legislature. The finance committee of the senate and the appropriations committee of the house shall jointly study the feasibility of any other alternative for that campus and report their findings to the legislature on or before January 16, 1978. The commissioner of public welfare shall provide for the transfer of patients and patient records to other hospitals operated by the department of public welfare or provide for alternate care. The commissioner shall, to the extent possible, provide at least 30 days notice of the transfer and allow patients and their parents, spouse or guardian input regarding the institution to which the patient is to be transferred. All affected employees of the Hastings state hospital shall continue employment in the department of public welfare or they may voluntarily accept employment in another state department, with no reduction in salary or other benefits. The commissioner of personnel shall reimburse employees who relocate for all legitimate expenses incurred in relocation.

Notwithstanding any other law an employee who waives his right to transfer to a hospital other than Hastings state hospital or other state employment shall be entitled to severance pay in the amount equal to 5 percent of the employee's base salary or

wage, not to exceed \$500, multiplied by the number of years of state service, but in no case shall the total amount exceed \$3,000.

There is available from the general contingent account the sum of \$1,000,000 which may be expended under the provision of Minnesota Statutes, Section 3.30, if an alternative is established for the Hastings campus.

Sec. 18. For the Oak Terrace state nursing home, the commissioner of public welfare shall assist a joint committee of the finance committee of the senate and the appropriations committee of the house to develop in detail a plan for the future use and care of patients. The report shall include, but not be limited to, where patients would be located, how affected employees would be accommodated and maintenance and disposition of the physical plant. The report and their findings shall be submitted to the legislature on or before January 16, 1978.

Sec. 19. [FATHER MILLER MEMORIAL CHAPEL.] Subdivision 1. There is hereby appropriated to the department of corrections the sum of \$63,295.76 as interest earned on and reinvestment of moneys expended from the \$156,624.41 gift to the state from the Reverend Francis J. Miller Memorial Foundation, Inc., for the construction of an interdenominational chapel at the prison at Stillwater for the period April 10, 1972 to December 31, 1976. The commissioner shall deposit this amount directly to the account containing the principal sum.

Subd. 2. The remaining principal plus accrued interest shall, in accordance with section 11.10, subdivision 1, be certified to the state board of investment as money not currently needed, and, notwithstanding the provision of section 11.10, subdivision 3, all interest and profits accruing from the investment shall be credited to and become a part of the principal sum of the investment. Any loss incurred in the principal sum of the investment shall be deducted therefrom.

Sec. 20. [COMPUTER SYSTEM DEVELOPMENT.] In all cases where an appropriation made in this act includes money for computer system development, development shall not proceed beyond PRIDE phase I until the project has been reviewed and approved by the commissioners of administration and finance. All approved projects shall be reported to the chairmen of the house appropriations committee and senate finance committee to receive their recommendation on the project. A recommendation is advisory only. In the case of rejected projects, the commissioner of finance shall cancel the unencumbered balance of the appropriation allotted for development of the project.

Sec. 21. There is appropriated to the department of public welfare the sum of \$300,000 for the biennium ending June 30, 1979, to be expended in Ramsey, Washington and Dakota counties for the cost of care of mentally ill persons who were in-patients of Hastings State Hospital on May 20, 1977, who may be placed in community facilities as a result of the closing of Hastings state hospital.

Sec. 22. There is appropriated to the department of corrections the sum of \$350,000 for the biennium ending June 30, 1979, for the purpose of supplementing the cost to Hennepin county of operating the Hennepin county adult corrections facility.

Sec. 23. There is appropriated to the department of health the sum of \$100,000 for the biennium ending June 30, 1979 for the purchase of quantities of somatotropin. The department of health shall supply appropriate quantities of somatotropin, without charge, to licensed physicians engaged in bona fide treatment of Minnesota residents with demonstrable physiological growth problems. These quantities shall be determined by the department according to a treatment plan established by the physician for each patient. Physicians supplied with somatotropin by the department shall not charge their patients for the use of that drug. Physicians supplied with somatotropin shall report regularly to the department regarding the effectiveness of the drug.

Sec. 24. There is appropriated to the department of public welfare the sum of \$300,000 for financial assistance to persons or to the parent or guardian of dependent persons suffering from hemophilia who are unable to pay for or obtain third party reimbursement from any private or public source, including chapters 62E and 256B, for the cost of care and treatment. The financial assistance may be used for obtaining blood, blood components, and other efficacious agents for use in hospital, medical and dental facilities, and at home. Assistance provided under this clause shall be subject to periodic review based on evaluation at one of the comprehensive care centers. Financial assistance shall include costs of periodic review and shall be made available on the basis of financial need.

Sec. 25. Notwithstanding any law, the provisions of Minnesota Statutes 1976, Section 256B.44, Subdivision 2, shall not apply to the payment of interest indebtedness finally incurred prior to April 13, 1976, if the interest is otherwise allowable. The documents required by Minnesota Statutes, Section 256B.48, Subdivision 2, Clause (a) shall be provided prior to allowance of this interest. There is appropriated to the commissioner of public welfare the sum of \$300,000 for the purposes of this section. This appropriation shall be prorated if the appropriation is insufficient to fully reimburse all affected parties.

Sec. 26. Minnesota Statutes 1976, Section 144A.61, Subdivision 6, is amended to read:

Subd. 6. [TRAINING PROGRAM.] Each nursing assistant hired to work in a nursing home on or after July January 1, 1977 1979, shall have successfully completed an approved nursing assistant training program or shall be enrolled in the first available approved training program which is scheduled to commence within 60 days of the date of the assistant's employment. Approved training programs shall be offered at the location most reasonably accessible to the enrollees in each class.

Sec. 27. The following sums are appropriated to the health de-

partment for fiscal year 1979 to be awarded as grants pursuant to the direction of the statewide health coordinating council:

(a) For merit fellowship grants	\$1,000,000
(b) For nonmedical and health services research grants	\$300,000
(c) For health policy studies	\$200,000

Not more than one percent of each sum appropriated by clauses (a) to (c) shall be available for reimbursement of agency expenses.

Sec. 28. Minnesota Statutes 1976, Section 261.233, is repealed."

Further, amend the title as follows:

Line 8 after the semicolon insert "amending Minnesota Statutes 1976, Section 144A.61, Subdivision 6;"

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) B. Robert Lewis, George F. Perpich, John Milton, Roger D. Moe, William G. Kirchner

House Conferees: (Signed) Donald Samuelson, James I. Rice, Walter R. Hanson, Mary M. Forsythe, John Corbid

Mr. Lewis moved that the foregoing recommendations and Conference Committee Report on S. F. No. 1416 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. 1416: A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes, including appropriations for the departments of public welfare, vocational rehabilitation, corrections, corrections ombudsman, health, health related boards, and public assistance programs; and repealing Minnesota Statutes 1976, Section 261.233.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 56 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Keefe, J.	Menning	Penny
Ashbach	Frederick	Kirchner	Merriam	Perpich
Bang	Gearty	Kleinbaum	Milton	Peterson
Benedict	Gunderson	Knoll	Moe	Pillsbury
Bernhagen	Hanson	Knutson	Nelson	Purfeerst
Borden	Hughes	Laufenburger	Nichols	Renneke
Brataas	Humphrey	Lessard	Ogdahl	Schmitz
Coleman	Jensen	Lewis	Olhoft	Setzepfandt
Dunn	Johnson	Luther	Olson	Sieloff

Sikorski	Staples	Strand	Ueland, A.	Wegener
Sillers	Stokowski	Stumpf	Ulland, J.	Willet
Spear				

Mr. Vega voted in the negative.

So the bill, as amended by the Conference Committee, was re-passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 1172 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1172

A bill for an act relating to administrative procedures of governmental agencies; adding metropolitan and capitol area agencies under the coverage of the administrative procedure act; limiting rule-making authority and obligations; permitting incorporation by reference; requiring completion of hearing examiner reports within a specified period; permitting an agency to appeal adverse district court decisions; providing copies of the state register for public libraries; providing for subpoenas and reporters; amending Minnesota Statutes 1976, Sections 15.0411, Subdivision 2; 15.0412; 15.0413, Subdivision 3; 15.0417; 15.0426; 15.048; 15.051, Subdivision 4; 15.052, Subdivisions 4 and 5; and 15.42.

May 19, 1977

The Honorable Edward J. Gearty
President of the Senate

The Honorable Martin O. Sabo
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1172, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and S. F. No. 1172 be amended as follows:

Page 1, lines 24 to 28, delete the new language

Page 2, line 1, delete "and 4,"

Page 5, line 16, strike everything after "5."

Page 5, strike lines 17 to 20 and insert: "When an agency is directed or authorized by statute, federal law or court order to adopt, amend, suspend or repeal a rule in a manner that does not allow for compliance with subdivision 4, the agency shall promulgate a temporary rule in accordance with this subdivision. The proposed temporary rule shall be published in the state register and for at least 20 days thereafter the agency shall afford all interested persons an opportunity to submit data and views on the proposed temporary rule in writing. The proposed temporary rule may be modified if the modifications are supported by the

data and views submitted to the agency. The agency shall submit to the attorney general the proposed temporary rule as published, with any proposed modifications. The attorney general shall review the proposed temporary rule as to form and legality and shall approve or disapprove the proposed temporary rule and any proposed modifications within five working days. The temporary rule shall take effect upon approval of the attorney general. Failure of the attorney general to approve or disapprove within five working days shall be deemed approval. As soon as practicable notice of the attorney general's decision shall be published in the state register and the adopted rule shall be published in the manner as provided for adopted rules in subdivision 4. Temporary rules adopted under this subdivision shall be"

Page 5, line 24, strike "Emergency rules"

Page 5, strike lines 25 and 26

Page 8, line 32, delete "of"

Page 9, line 1, delete "supervisors"

Page 10, line 7, after "services." insert "The court reporters may additionally be utilized as the chief hearing examiner directs."

Page 10, line 9, strike "an audio magnetic recording device" and insert "a court reporter"

Page 10, lines 9 and 10, strike "a court reporter" and insert "an audio magnetic recording device"

Page 10, line 10, after "shall" insert "be used to"

Page 10, line 11, strike "and may additionally be"

Page 10, line 12, strike everything before the period

Page 10, delete lines 19 to 25, and insert:

"Sec. 11. *The legislature finds that activities of metropolitan agencies have a significant impact on property rights of citizens, and that certain of these activities should perhaps be governed by the administrative procedure act. In order to study the proper degree of applicability of the administrative procedure act, the appropriate standing committees of the legislature are directed to study the issue with the metropolitan agencies. The committees shall report to the legislature no later than February 15, 1978, on statutory changes necessary to define the appropriate degree of applicability. The metropolitan agencies are authorized and encouraged to contract with the office of hearing examiners to provide hearing examiner and reporting services for any agency activity which would be a rule or a contested case as defined in section 15.0411, subdivision 3 or 4. The agency shall pay an assessment for these services as provided in section 15.052, subdivision 8. An election under this subdivision to use these services shall subject the agency, in respect to that activity, to procedures specified in the administrative procedure act and rules relating thereto. For purposes of this section, "metropolitan agency" shall mean the metropolitan council, the metropolitan airports com-*

mission, the metropolitan transit commission and the metropolitan waste control commission.

Sec. 12. *Notwithstanding any other law to the contrary, the adoption of an emergency rule under authorization or direction of any chapter of Laws 1976 or 1977, with an effective date on or after July 1, 1977, shall be done in accordance with section 15.0412, subdivision 5, as amended by this act."*

Page 10, line 27, delete "July 1, 1977" and insert "the day following final enactment"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, after "period;" insert "providing a procedure for adopting temporary rules;"

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Winston W. Borden, David D. Schaaf, Ron Sieloff

House Conferees: (Signed) Harry Sieben, Tom Berg, James Caserly

Mr. Borden moved that the foregoing recommendations and Conference Committee Report on S. F. No. 1172 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. 1172: A bill for an act relating to administrative procedures of governmental agencies; adding metropolitan and capitol area agencies under the coverage of the administrative procedure act; limiting rule-making authority and obligations; permitting incorporation by reference; requiring completion of hearing examiner reports within a specified period; permitting an agency to appeal adverse district court decisions; providing copies of the state register for public libraries; providing for subpoenas and reporters; amending Minnesota Statutes 1976, Sections 15.0411, Subdivision 2; 15.0412; 15.0413, Subdivision 3; 15.0417; 15.0426; 15.048; 15.051, Subdivision 4; 15.052, Subdivisions 4 and 5; and 15.42.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Bernhagen	Dunn	Gunderson	Jensen
Ashbach	Borden	Engler	Hanson	Johnson
Bang	Brataas	Frederick	Hughes	Keefe, J.
Benedict	Coleman	Gearty	Humphrey	Kirchner

Kleinbaum	Merriam	Penny	Sikorski	Ulland, J.
Knoll	Milton	Perpich	Sillers	Vega
Knutson	Moe	Peterson	Solon	Wegener
Laufenburger	Nelson	Purfeerst	Spear	Willet
Lessard	Nichols	Renneke	Staples	
Lewis	Ogdahl	Schmitz	Stokowski	
Luther	Olhoft	Setzepfandt	Strand	
Menning	Olson	Sieloff	Stumpf	

So the bill, as amended by the Conference Committee, was re-passed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Messages From the House and First Reading of House Bills.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 420:

H. F. No. 420: A bill for an act relating to education; Montessori schools; excluding Montessori schools from day care regulation; appropriating money; amending Minnesota Statutes 1976, Section 245.791.

And the House respectfully requests that a Conference Committee of three members be appointed thereon.

Berglin, Mangan and Kvam have been appointed as such committee on the part of the House.

House File No. 420 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 May 21, 1977

Mr. Schaaf, for Mr. Chenoweth, moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 420, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 1030:

H. F. No. 1030: A bill for an act relating to health care plans; requiring minimum anticipated loss ratios for certain insurance plans; eliminating certain open enrollment requirements for non-profit health service plans; revising the Minnesota comprehensive health insurance act of 1976; revising the Minnesota catastrophic health expense protection act of 1976; making necessary improvements and corrections; further prescribing the powers and duties of the commissioner of insurance; further prescribing the powers

and duties of the commissioner of public welfare; amending Minnesota Statutes 1976, Chapter 62E, by adding a section; and Sections 62A.02, Subdivision 3; 62A.17, Subdivision 6; 62D.10, Subdivision 1; 62E.02, Subdivisions 2, 8, 11 and 21; 62E.03, Subdivision 2; 62E.04, Subdivision 4, and by adding a subdivision; 62E.06; 62E.08; 62E.09; 62E.10, Subdivisions 1, 3, and 7; 62E.11, Subdivision 5; 62E.13, Subdivisions 2 and 4; 62E.14, Subdivision 1; 62E.53; and 62E.54, Subdivision 1; repealing Minnesota Statutes 1976, Section 62E.16.

And the House respectfully requests that a Conference Committee of three members be appointed thereon.

Swanson; Carlson, L. and Brinkman have been appointed as such committee on the part of the House.

House File No. 1030 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 May 21, 1977

Mr. Sikorski moved that the Senate accede to the request of the House for a Conference Committee on H. F. No. 1030, and that a Conference Committee of 3 members be appointed by the Subcommittee 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. 80: A bill for an act relating to ambulance services; reimbursing political subdivisions, non-profit hospitals or corporations for expenses of training volunteer ambulance attendants; appropriating money; amending Minnesota Statutes 1976, Chapter 144, by adding a section.

Senate File No. 80 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 21, 1977

CONCURRENCE AND REPASSAGE

Mr. Menning moved that the Senate concur in the amendments by the House to S. F. No. 80 and that the bill be placed on its repassage as amended. The motion prevailed.

S. F. No. 80: A bill for an act relating to ambulance services; reimbursing certain operators of licensed ambulance services for expenses of training volunteer ambulance attendants; defining

"volunteer ambulance attendants"; appropriating money; amending Minnesota Statutes 1976, Chapter 144, by adding a section.

Was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Knutson	Olson	Sillers
Ashbach	Gunderson	Laufenburger	Penny	Solon
Bang	Hanson	Lessard	Perpich	Spear
Benedict	Hughes	Luther	Peterson	Staples
Bernhagen	Humphrey	Menning	Renneke	Stokowski
Brataas	Jensen	Merriam	Schaaf	Strand
Chenoweth	Johnson	Milton	Schmitz	Stumpf
Coleman	Keefe, J.	Moe	Schrom	Ulland, J.
Dunn	Kirchner	Nelson	Setzepfandt	Vega
Engler	Kleinbaum	Nichols	Sieloff	Wegener
Frederick	Knoll	Olhoft	Sikorski	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. 411: A bill for an act relating to peace officers; providing for training and licensing of all peace officers in the state; renaming the peace officer training board; giving the board additional responsibilities; amending Minnesota Statutes 1976, Sections 214.01, Subdivision 3; 626.841; 626.842; 626.843, Subdivision 1; 626.845; 626.846, Subdivision 1 and by adding subdivisions; 626.848; 626.85, Subdivision 1; 626.851, Subdivision 2; 626.854; Chapter 626, by adding a section; repealing Minnesota Statutes 1976, Sections 626.843, Subdivision 4; 626.844; 626.846, Subdivision 2; 626.847; and 626.853.

Senate File No. 411 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 21, 1977

Mr. McCutcheon moved that the Senate do not concur in the amendments by the House to S. F. No. 411 and that a Conference Committee of 3 members be appointed by the Subcommittee 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 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. 124: A bill for an act relating to women; establishing pilot programs to provide emergency shelter and support services to battered women; providing funds to establish community education program about battered women; providing for data collection; waiving certain general assistance eligibility requirements for battered women; appropriating money; amending Minnesota Statutes 1976, Section 256D.05, by adding a subdivision.

There has been appointed as such committee on the part of the House:

Kahn, Samuelson and Stanton.

Senate File No. 124 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 21, 1977

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. 1395: A bill for an act relating to education; public television and radio; altering the calculation of matching funds required by public stations; appropriating money; amending Minnesota Statutes 1976, Section 139.18, Subdivisions 1 and 2.

There has been appointed as such committee on the part of the House:

Beauchamp, Faricy and Pehler.

Senate File No. 1395 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 21, 1977

Mr. President:

I have the honor to announce that the House has received the message of the Senate announcing the appointment of a new Conference Committee on the part of the Senate on:

H. F. No. 586: A bill for an act relating to taxation; information contained in tax returns; amending Minnesota Statutes 1976, Sections 290.081; 290.61; and 290A.17.

The House accedes to the request of the Senate for the ap-

pointment of a Conference Committee of three members on House File No. 586.

There has been appointed as such committee on the part of the House:

Kelly, W.; Skoglund and Savelkoul.

House File No. 586 has been returned to the Conference Committee.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 21, 1977

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. 202: A bill for an act relating to state government; creating a department of economic security; transferring powers; abolishing the department of employment services and the governor's manpower office; providing for a legislative study of the transfer of certain other functions; appropriating money; amending Minnesota Statutes 1976, Sections 15.01; 15.0411, Subdivision 2; 15A.081, Subdivision 1, as amended; 43.09, Subdivision 2a; 256.482, Subdivision 1; 256.736, Subdivisions 2, 3, 4, and 5; 256D.11, Subdivisions 1, 2, 6, 7, and 9; and 268.04, Subdivision 8.

Senate File No. 202 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 21, 1977

CONCURRENCE AND REPASSAGE

Mr. Moe moved that the Senate concur in the amendments by the House to S. F. No. 202 and that the bill be placed on its repassage as amended.

Mr. Chenoweth moved that the Senate do not concur in the amendments by the House to S. F. No. 202 and that a Conference Committee of 3 members be appointed by the Subcommittee 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 question was taken on the adoption of the Chenoweth motion.

The roll was called, and there were yeas 27 and nays 34, as follows:

Those who voted in the affirmative were:

Ashbach	Chenoweth	Jensen	Olhoft	Spear
Bang	Davies	Knoll	Olson	Stumpf
Benedict	Dunn	Knutson	Renneke	Ulland, J.
Bernhagen	Engler	Menning	Schaaf	
Borden	Frederick	Merriam	Schmitz	
Brataas	Gunderson	Nelson	Sieloff	

Those who voted in the negative were:

Anderson	Johnson	McCutcheon	Peterson	Stokowski
Coleman	Kirchner	Milton	Purfeerst	Strand
Dieterich	Kleinbaum	Moe	Schrom	Tennessee
Gearty	Laufenburger	Nichols	Setzpfandt	Vega
Hanson	Lessard	Ogdahl	Sillers	Wegener
Hughes	Lewis	Penny	Solon	Willet
Humphrey	Luther	Perpich	Staples	

The motion did not prevail.

The question recurred on the Moe motion.

The roll was called, and there were yeas 31 and nays 28, as follows:

Those who voted in the affirmative were:

Anderson	Johnson	Moe	Schmitz	Tennessee
Coleman	Kirchner	Nichols	Schrom	Vega
Davies	Kleinbaum	Ogdahl	Setzpfandt	Willet
Dieterich	Lessard	Penny	Solon	
Gearty	Lewis	Perpich	Staples	
Hanson	Luther	Peterson	Stokowski	
Hughes	Milton	Purfeerst	Strand	

Those who voted in the negative were:

Ashbach	Chenoweth	Jensen	Olhoff	Spear
Bang	Dunn	Knoll	Olson	Stumpf
Benedict	Engler	Knutson	Renneke	Ulland, J.
Bernhagen	Frederick	Menning	Schaaf	Wegener
Borden	Gunderson	Merriam	Sieloff	
Brataas	Humphrey	Nelson	Sillers	

The motion prevailed.

S. F. No. 202 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 36 and nays 23, as follows:

Those who voted in the affirmative were:

Anderson	Humphrey	Moe	Purfeerst	Tennessee
Benedict	Johnson	Nelson	Schrom	Vega
Coleman	Kirchner	Nichols	Setzpfandt	Wegener
Davies	Kleinbaum	Ogdahl	Sillers	Willet
Dieterich	Laufenburger	Olson	Solon	
Gearty	Lewis	Penny	Staples	
Hanson	Luther	Perpich	Stokowski	
Hughes	Milton	Peterson	Strand	

Those who voted in the negative were:

Ashbach	Chenoweth	Jensen	Merriam	Spear
Bang	Dunn	Knoll	Olhoff	Stumpf
Bernhagen	Engler	Knutson	Renneke	Ulland, J.
Borden	Frederick	Lessard	Schmitz	
Brataas	Gunderson	Menning	Sieloff	

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 Files, herewith returned:

S. F. Nos. 455 and 615.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 21, 1977

Mr. President:

I have the honor to announce the passage by the House of the following House File, herewith transmitted:

H. F. No. 958.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 21, 1977

FIRST READING OF HOUSE BILLS

The following bill was read the first time and referred to the committee indicated.

H. F. No. 958: A bill for an act relating to agriculture; establishing a swine disease research center; appropriating money.

Referred to the Committee on Finance.

Without objection, the Senate reverted to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. McCutcheon, Johnson, Hanson, Peterson and Stokowski introduced—

S. F. No. 1561: A bill for an act relating to taxation; redefining "net income" for corporation income tax purposes; clarifying kinds of persons exempt from income tax; changing certain exemption procedures; changing income tax carryover and carryback provisions; changing treatment of certain partnership income and expenses; amending Minnesota Statutes 1976, Sections 290.01, Subdivision 19; 290.05, Subdivisions 1 and 2; 290.095, Subdivisions 3 and 9; 290.21, Subdivision 3; and 290.31, Subdivisions 2, 4, 6, 9, 10, 11, 21, and by adding a subdivision; repealing Minnesota Statutes 1976, Sections 290.09, Subdivision 28; and 290.095, Subdivision 6.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Menning and Setzepfandt introduced—

S. F. No. 1562: A bill for an act relating to highway traffic regulations; providing for mandatory chemical testing under certain circumstances; authorizing arrest for the violation of operating a motor vehicle while under the influence of an alcoholic beverage or other drug although the violation is not observed by

the arresting officer; providing for revocation of drivers' licenses by the commissioner of public safety; providing for a limited right to counsel prior to chemical testing; procedures for revocations of drivers' licenses; prescribing penalties; amending Minnesota Statutes 1976, Sections 169.121; 169.123; and 169.127.

Referred to the Committee on Judiciary.

Without objection, the Senate proceeded to the Order of Business of Messages From the House.

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 House File No. 1475 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 1475: A bill for an act relating to taxation; providing changes in classification ratios and assessment procedures; increasing local government aids and certain tax credits; altering levy limits; imposing a minimum tax on certain types of income; establishing tax study committee; increasing the tax on taconite production and providing for the distribution of its proceeds; establishing a taconite area environmental protection and economic development fund and council; establishing a Northeast Minnesota economic protection fund; imposing a tailings tax; increasing the tax on unmined taconite; requiring owners and lessees of mineral rights to file exploration data with the commissioner of revenue; providing penalties; appropriating money; amending Minnesota Statutes 1976, Sections 124.212, Subdivisions 10 and 11; 273.11, Subdivisions 1 and 2; 273.12; 273.13, Subdivisions 6, 7 and 14a; 273.132; 273.134; 274.01, Subdivision 1; 275.50, Subdivision 5; 275.51, by adding a subdivision; 275.52, Subdivisions 2, 3 and 4; 275.53, Subdivisions 1 and 3; 278.01; 278.05; 287.241, Subdivision 2; 290.012, Subdivision 2; 290.09, Subdivision 4; 290A.03, Subdivisions 3, 11 and 13; 290A.04, Subdivision 2, and by adding a subdivision; 294.26; 298.03; 298.22, Subdivision 1; 298.24, Subdivisions 1 and 2; 298.244, Subdivision 2; 298.25; 298.26; 298.27; 298.28, Subdivision 1; 298.282, Subdivisions 1 and 2; 375.192, by adding a subdivision; 477A.01, Subdivisions 1, 2, 4, 4a, 4b, and by adding a subdivision; 477A.03; and Chapters 3, 272, 287, 290, 298 and 477A, by adding sections; repealing Minnesota Statutes 1976, Sections 275.51, Subdivisions 3b and 3c; 287.241, Subdivisions 3 and 4; 290.09, Subdivision 26; 294.27; 294.28; 298.241; 298.243; 298.244, Subdivision 1; 298.28, Subdivision 1a; 298.281; Extra Session Laws 1971, Chapter 31, Article XIII; Laws 1973, Chapter 601; Laws 1975, Chapter 437, Article VII; and Laws 1976, Chapter 149, Section 58.

House File No. 1475 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1475

A bill for an act relating to taxation; providing changes in classification ratios and assessment procedures; increasing local government aids and certain tax credits; altering levy limits; imposing a minimum tax on certain types of income; establishing tax study committee; increasing the tax on taconite production and providing for the distribution of its proceeds; establishing a taconite area environmental protection and economic development fund and council; establishing a Northeast Minnesota economic protection fund; imposing a tailings tax; increasing the tax on unmined taconite; requiring owners and lessees of mineral rights to file exploration data with the commissioner of revenue; providing penalties; appropriating money; amending Minnesota Statutes 1976, Sections 124.212, Subdivisions 10 and 11; 273.11, Subdivisions 1 and 2; 273.12; 273.13, Subdivisions 6, 7 and 14a; 273.132; 273.134; 274.01, Subdivision 1; 275.50, Subdivision 5; 275.51, by adding a subdivision; 275.52, Subdivisions 2, 3 and 4; 275.53, Subdivisions 1 and 3; 278.01; 278.05; 287.241, Subdivision 2; 290.012, Subdivision 2; 290.09, Subdivision 4; 290A.03, Subdivisions 3, 11 and 13; 290A.04, Subdivision 2, and by adding a subdivision; 294.26; 298.03; 298.22, Subdivision 1; 298.24, Subdivisions 1 and 2; 298.244, Subdivision 2; 298.25; 298.26; 298.27; 298.28, Subdivision 1; 298.282, Subdivisions 1 and 2; 375.192, by adding a subdivision; 477A.01, Subdivisions 1, 2, 4, 4a, 4b, and by adding a subdivision; 477A.03; and Chapters 3, 272, 287, 290, 298 and 477A, by adding sections; repealing Minnesota Statutes 1976, Sections 275.51, Subdivisions 3b and 3c; 287.241, Subdivisions 3 and 4; 290.09, Subdivision 26; 294.27; 294.28; 298.241; 298.243; 298.244, Subdivision 1; 298.28, Subdivision 1a; 298.281; Extra Session Laws 1971, Chapter 31, Article XIII; Laws 1973, Chapter 601; Laws 1975, Chapter 437, Article VII; and Laws 1976, Chapter 149, Section 58.

May 20, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1475, report that we have agreed upon the items in dispute and recommend as follows:

That H. F. No. 1475 be amended as follows:

Strike everything after the enacting clause and insert:

“ARTICLE I

Section 1. Minnesota Statutes 1976, 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, 1976, shall be in effect for taxable years beginning after December 31, 1976.*

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 this chapter, to the extent deductible in determining federal adjusted gross income;

(5) Amounts received as reimbursement for an expense of sickness or injury which was deducted in a prior taxable year to the extent that the deduction for 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) (6) The amount of any federal income tax overpayment for any previous taxable year, received as refund or credited to another taxable year's income tax liability, proportionate to the percentage of federal income tax that was claimed as a deduction in determining Minnesota income tax for 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) (7) In the case of a change of residence from Minnesota to another state or nation, the amount of moving expenses which exceed total reimbursements and which were therefore deducted in arriving at federal adjusted gross income;

(9) (8) In the case of property disposed of on or after January 1, 1973, the amount of any increase in the taxpayer's federal tax liability under section 47 of the Internal Revenue Code of 1954, 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) (9) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

~~(11)~~ (10) Expenses and depreciation attributable to sub-standard buildings disallowed by section 290.101; and

~~(12)~~ (11) The amount by which the gain determined pursuant to section 41.59, subdivision 2 exceeds the amount of such gain included in federal adjusted gross income.

(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)~~ (4) Losses, not otherwise reducing federal adjusted gross income assignable to Minnesota, arising from events or transactions which are assignable to Minnesota under the provisions of sections 290.17 to 290.20, including any capital loss or net operating loss carryforwards or carrybacks resulting from such losses;

~~(6)~~ (5) If included in federal adjusted gross income, *the amount of any credit received, whether received as a refund or credit to another taxable year's income tax liability, pursuant to chapter 290A, and the amount of any overpayment of income tax to Minnesota, or any other state, for any previous taxable year, whether such amount is received as a refund or credited to another taxable year's income tax liability;*

~~(7)~~ (6) 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)~~ (7) In the case of property acquired on or after January 1, 1973, the amount of any credit to the taxpayer's federal tax

liability under section 38 of the Internal Revenue Code of 1954, 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. 2. Minnesota Statutes 1976, Section 290.012, Subdivision 2, is amended to read:

Subd. 2. "Claimant" means the individual taxpayer whose income, together with that of his spouse, if any, brings him within the provisions of this section and section 290.06, subdivision 3d. *No claimant and spouse whose federal adjusted gross income, including the modifications increasing federal adjusted gross income as computed under section 290.01, subdivision 20, clause (a), exceed \$20,000 may qualify under this section.*

Sec. 3. Minnesota Statutes 1976, Section 290.031, Subdivision 4, is amended to read:

Subd. 4. [TAXABLE COMPENSATION.] "Taxable compensation" means the total wages, as defined in section 268.04, subdivision 25, but not limited as provided in clause (1) of said subdivision, paid by an employer, as defined in subdivision 3, to employees after ~~June 20, 1973~~ *December 31, 1977*, excluding therefrom the first ~~\$100,000~~ *\$250,000* of compensation paid during an employer's fiscal or calendar taxable year. There shall be deducted in determining taxable compensation for any taxable year the sum of ~~\$100,000~~ *\$250,000* except that where the taxable year is a period of less than 12 months and in the case of taxable years ending on or before ~~May 31, 1974~~ *November 30, 1978* the deduction shall be proportionately reduced.

Sec. 4. Minnesota Statutes 1976, 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, ~~1971~~ *1977*, the income taxes imposed by this chapter upon individuals, estates and trusts, other than those taxable as corporations, shall be computed by applying to their taxable net income 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 On all over \$20,000 and not over \$25,000, fifteen percent ;
- (12) On all over \$25,000 and not over \$35,000, sixteen percent;
- (13) On all over \$35,000 and not over \$50,000, seventeen percent;
- (14) On the remainder, eighteen 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 \$20,000 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. 5. Minnesota Statutes 1976, 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 1977, 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~~ \$30, 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~~ \$60. 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~~ \$30 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~~ \$30 ;

(b) For taxable years which begin after December 31, 1974, In the case of an unmarried individual who is blind at the close of the taxable year, an additional ~~\$25~~ \$30 ;

(c) In the case of a married individual, living with husband or wife, an additional ~~\$21~~ \$30 for each spouse who has attained the age of 65 before the close of the individual's taxable year, and an additional ~~\$25~~ \$30 for each spouse who is blind 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 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.

(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~~ \$30 .

(f) For taxable years which begin after December 31, 1974, In the case of a married individual, an additional ~~\$25~~ \$30 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~~ \$30 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) (6) 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.

Sec. 6. Minnesota Statutes 1976, Section 290.08, Subdivision 6, is amended to read:

Subd. 6. [PENSIONS, BENEFITS, AND ALLOWANCES FROM STATE AND UNITED STATES.] *Notwithstanding the provisions of any other law to the contrary* amounts, including interest, *not in excess of \$7,200* received by any person from the United States or from the state of Minnesota or any of its political or governmental subdivisions or from any other state or its political or governmental subdivisions, or a Minnesota volunteer fireman's relief association, either as a refund of contributions to, or by way of payment as a pension, public employee retirement benefit, unemployment compensation benefit, social security benefit or railroad retirement or unemployment compensation benefit, family allotment or other similar allowance or any combination thereof; *provided that the amount of exclusion provided for in this subdivision shall be reduced by social security and railroad retirement benefits plus any earned income as defined in section 37(e) (8)(B) of the Internal Revenue Code of 1954, as amended through December 31, 1976, which is received during the taxable year.*

Sec. 7. Minnesota Statutes 1976, Section 290.081, is amended to read:

290.081 [INCOME OF NONRESIDENTS, RECIPROCITY.]
 (a) The compensation received for the performance of personal or professional services within this state by an individual who resides and has his place of abode to which he customarily returns at least once a month in another state, shall be excluded from gross income to the extent such compensation is subject to an income tax imposed by the state of his residence; provided that such state allows a similar exclusion of compensation received by residents of Minnesota for services performed therein, or

(b) Whenever a nonresident taxpayer has become liable for income taxes to the state where he resides upon his net income for the taxable year derived from the performance of personal or professional services within this state and subject to taxation

under this chapter, there shall be allowed as a credit against the amount of income tax payable by him under this chapter, such proportion of the tax so paid by him to the state where he resides as his gross income subject to taxation under this chapter bears to his entire gross income upon which the tax so paid to such other state was imposed; provided, that such credit shall be allowed only if the laws of such state grant a substantially similar credit to residents of this state subject to income tax under such laws, or

(c) If any taxpayer who is a resident of this state, or a domestic corporation or corporation commercially domiciled therein, has become liable for taxes on or measured by net income to another state upon, *if the taxpayer is an individual or a resident estate or resident trust, any income, or if it is a corporation, upon income derived from the performance of personal or professional services within such other state and subject to taxation under this chapter* he or it shall be entitled to a credit against the amount of taxes payable under this chapter, of such proportion thereof, as such gross income subject to taxation in such state bears to his entire gross income subject to taxation under this chapter; provided (1) that such credit shall in no event exceed the amount of tax so paid to such other state on the gross income earned within such other state and subject to taxation under this chapter, and (2) that such credit shall not be allowed if such other state allows residents of this state a credit against the taxes imposed by such state for taxes payable under this chapter substantially similar to the credit provided for by paragraph (b) of this section and (3) the allowance of such credit shall not operate to reduce the taxes payable under this chapter to an amount less than would have been payable if the gross income earned in such other state had been excluded in computing net income under this chapter.

(d) The commissioner shall by regulation determine with respect to gross income earned in any other state the applicable clause of this section. When it is deemed to be in the best interests of the people of this state, the commissioner may determine that the provisions of clause (a) shall not apply.

(e) "Tax So Paid" as used in this section means taxes on or measured by net income payable to another state on income earned within the taxable year for which the credit is claimed, provided that such tax is actually paid in that taxable year, or subsequent taxable years.

(f) For the purposes of clause (a), whenever the Wisconsin tax on Minnesota residents which would have been paid Wisconsin without clause (a) exceeds the Minnesota tax on Wisconsin residents which would have been paid Minnesota without clause (a), or vice versa, then the state with the net revenue loss resulting from clause (a) shall receive from the other state the amount of such loss. This provision shall be effective for all years beginning after December 31, 1972. The data used for computing the loss to either state shall be determined on or be-

fore September 30 of the year following the close of the previous calendar year.

If an agreement cannot be reached as to the amount of the loss, the commissioner of revenue and the taxing official of the state of Wisconsin shall each appoint a member of a board of arbitration and these members shall appoint the third member of the board. The board shall select one of its members as chairman. Such board may administer oaths, take testimony, subpoena witnesses, and require their attendance, require the production of books, papers and documents, and hold hearings at such places as are deemed necessary. The board shall then make a determination as to the amount to be paid the other state which determination shall be final and conclusive.

Sec. 8. Minnesota Statutes 1976, 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) mortgage registry tax; (h) real estate transfer tax; (i) federal telephone tax; and (j) federal transportation tax ~~(g)~~ (k) tax paid by any corporation or national or state bank to any foreign country or possession of the United States to the extent that a credit against federal income taxes is allowed under the provisions of the Internal Revenue Code of 1954, as amended through December 31, 1974 1976. 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. 9. Minnesota Statutes 1976, Section 290.09, Subdivision 5, is amended to read:

Subd. 5. [LOSSES.] (a) General rule. There shall be allowed as a deduction any loss sustained during the taxable year and not compensated for by insurance or otherwise.

(b) Amount of deduction. For purposes of paragraph (a), the basis for determining the amount of the deduction for any loss

shall be the adjusted basis provided in sections 290.14 and 290.15 for determining the loss from the sale or other disposition of property.

(c) Limitation of losses of individuals. In the case of an individual, the deduction under paragraph (a) shall be limited to

(1) Losses incurred in a trade or business;

(2) Losses incurred in any transaction entered into for profit, though not connected with a trade or business; and

(3) Losses of property not connected with a trade or business, if such losses arise from fire, storm, shipwreck, or other casualty, or from theft to the extent they are deductible pursuant to the provisions of section 165(c) (3) of the Internal Revenue Code of 1954, as amended through December 31, 1976. No loss described in this paragraph shall be allowed if, at the time of the filing of the return, such loss has been claimed for inheritance tax purposes.

(d) Wagering losses. Losses from wagering transactions shall be allowed only to the extent of the gains from such transactions.

(e) Theft losses. For purposes of paragraph (a), any loss arising from theft shall be treated as sustained during the taxable year in which the taxpayer discovers such loss.

(f) Capital losses. Losses from sales or exchanges of capital assets shall be allowed only to the extent allowed in section 290.16.

(g) Worthless securities.

(1) General rule. If any security which is a capital asset becomes worthless during the taxable year, the loss resulting therefrom shall, for purposes of this chapter, be treated as a loss from the sale or exchange, on the last day of the taxable year, of a capital asset.

(2) Security defined. For purposes of this paragraph, the term "security" means:

(A) A share of stock in a corporation;

(B) A right to subscribe for, or to receive, a share of stock in a corporation; or

(C) A bond, debenture, note, or certificate, or other evidence of indebtedness, issued by a corporation or by a government or political subdivision thereof, with interest coupons or in registered form.

(3) Securities in affiliated corporation. For purposes of paragraph (1), any security in a corporation affiliated with a taxpayer which is a domestic corporation shall not be treated as a capital asset. For purposes of the preceding sentence, a corporation shall be treated as affiliated with the taxpayer only if:

(A) At least 95 percent of each class of its stock is owned directly by the taxpayer, and

(B) More than 90 percent of the aggregate of its gross receipts

for all taxable years has been from sources other than royalties, rents (except rents derived from rental from properties to employees of the corporation in the ordinary course of its operating business), dividends, interest (except interest received on deferred purchase price of operating assets sold), annuities, and gains from sales or exchanges of stocks and securities. In computing gross receipts for purposes of the preceding sentence, gross receipts from sales or exchanges of stock and securities shall be taken into account only to the extent of gains therefrom.

(h) Disaster losses. (1) Notwithstanding the provisions of (a), any loss

(A) attributable to a disaster which occurs during the period following the close of the taxable year and on or before the time prescribed by law for filing the income tax return for the taxable year (determined without regard to any extension of time), and

(B) occurring in an area subsequently determined by the President of the United States to warrant assistance by the Federal Government under section 1855-1855g of Title 42, U.S.C.A., at the election of the taxpayer, may be deducted for the taxable year immediately preceding the taxable year in which the disaster occurred. Such election may be made only if a similar election has been made under the provisions of Section 165(h) of the Internal Revenue Code of 1954, as amended through December 31, 1974 1976 for federal income tax purposes. Such deduction shall not be in excess of so much of the loss as would have been deductible in the taxable year in which the casualty occurred. If an election is made under this paragraph, the casualty resulting in the loss will be deemed to have occurred in the taxable year for which the deduction is claimed.

(2) The commissioner is authorized to prescribe regulations providing the time and manner of making an election to claim a disaster loss under this clause; provided, however, that such an election relating to a disaster loss occurring during the first three and one-half months of the year 1965 may be made no later than December 31, 1965.

(i) Election. In lieu of the deduction allowed by (a) or (h) any loss not compensated for by insurance or otherwise:

(1) Attributable to storm or other natural causes or fire, may, at the election of the taxpayer, be claimed as a deduction in the taxable year in which said loss is sustained or in the preceding taxable year.

(2) In the event that under the provisions of this paragraph, a taxpayer claims the same disaster loss deduction or a net operating loss deduction resulting from the inclusion of a casualty loss in the calculation of such deduction in different taxable years for state and federal purposes, appropriate modifications shall be allowed or required for taxable years affected in order to prevent duplication or omission of such deduction.

(3) The commissioner is authorized to prescribe regulations pro-

viding the time and manner to make an election to claim a loss under the provisions of this paragraph and for the filing of an amended return or claim for refund.

Sec. 10. Minnesota Statutes 1976, Section 290.09, Subdivision 15, is amended to read:

Subd. 15. [STANDARD DEDUCTION.] In lieu of all deductions provided for in this chapter other than those enumerated in section 290.18, subdivision 2, and in lieu of the credits enumerated in section 290.21, subdivision 3, an individual may claim or be allowed a standard deduction as follows:

(a) If his adjusted gross income is \$10,000 or more, the standard deduction shall be \$1,000.

(b) If his adjusted gross income is less than \$10,000, the standard deduction shall be an amount equal to ten percent thereof ; *in the case in which a standard deduction tax table is provided by the commissioner of revenue pursuant to the provisions of section 290.06, subdivision 2, the standard deduction shall be available to individuals with adjusted gross income of less than \$20,000 only through the use of such table .*

In the case of a husband and wife living together, the standard deduction shall not be allowed to either if the net income of one of the spouses is determined without regard to the standard deduction. For the purposes of this paragraph the determination of whether an individual is living with his spouse shall be made as of the last day of the taxable year unless the spouse dies during the taxable year in which case such determination shall be made as of the date of such spouse's death.

(c) *The commissioner of revenue may establish a standard deduction tax table incorporating the rates set forth in section 290.06, subdivision 2c, and the standard deduction. The tax of any individual taxpayer whose adjusted gross income is less than \$20,000 shall, if an election is made not to itemize nonbusiness deductions, be computed in accordance with tables prepared and issued by the commissioner of revenue. The tables shall be prepared to reflect the allowance of the standard deduction and the personal and dependent credits.*

Sec. 11. Minnesota Statutes 1976, Section 290.17, is amended to read:

290.17 [GROSS INCOME; ALLOCATION TO STATE.] *Subdivision 1. [INCOME OF RESIDENT INDIVIDUALS, ESTATES, AND TRUSTS.] The gross income of individuals during the period of time when they are residents of Minnesota and the gross income of resident estates and trusts shall be their gross income as defined in section 290.01, subdivision 20.*

Subd. 2. [OTHER TAXPAYERS.] *In the case of taxpayers not subject to the provisions of subdivision 1, items of gross income shall be assigned to this state or other states or countries in accordance with the following principles:*

(1) The entire income of all resident or domestic taxpayers from compensation for labor or personal services, or from a business consisting principally of the performance of personal or professional services, shall be assigned to this state, and the income of nonresident taxpayers from such sources shall be assigned to this state if, and to the extent that, the labor or services are performed within it; all other income from such sources shall be treated as income from sources without this state;

(2) Income from the operation of a farm shall be assigned to this state if the farm is located within this state and to other states only if the farm is not located in this state. Income and gains received from tangible property not employed in the business of the recipient of such income or gains, and from tangible property employed in the business of such recipient if such business consists principally of the holding of such property and the collection of the income and gains therefrom, shall be assigned to this state if such property has a situs within it, and to other states only if it has no situs in this state. Income or gains from intangible personal property not employed in the business of the recipient of such income or gains, and from intangible personal property employed in the business of such recipient if such business consists principally of the holding of such property and the collection of the income and gains therefrom, wherever held, whether in trust, or otherwise, shall be assigned to this state if the recipient thereof is domiciled within this state; income or gains from intangible personal property wherever held, whether in trust or otherwise shall be assigned to this state if the recipient of such income or gains is domiciled within this state, or if the grantor of any trust is domiciled within this state and such income or gains would be taxable to such grantor under sections 290.28 or 290.29;

(3) Income derived from carrying on a trade or business, including in the case of a business owned by natural persons the income imputable to the owner for his services and the use of his property therein, shall be assigned to this state if the trade or business is conducted wholly within this state, and to other states if conducted wholly without this state. This provision shall not apply to business income subject to the provisions of clause (1);

(4) When a trade or business is carried on partly within and partly without this state, the entire income derived from such trade or business, including income from intangible property employed in such business and including, in the case of a business owned by natural persons, the income imputable to the owner for his services and the use of his property therein, shall be governed, except as otherwise provided in sections 290.35 and 290.36, by the provisions of section 290.19, notwithstanding any provisions of this section to the contrary. This shall not apply to business income subject to the provisions of clause (1). For the purposes of this clause, a trade or business located in Minnesota is carried on partly within and partly without this state if tangible personal property is sold by such trade or business and delivered or shipped to a purchaser located outside the state of Minnesota.

In determining whether or not intangible property is employed in

a unitary business carried on partly within and partly without this state so that income derived therefrom is subject to apportionment under section 290.19 the following rules and guidelines shall apply.

(a) An intangible property is employed in a business if the business entity owning intangible property holds it as a means of furthering the business operation of which a part is located within the territorial confines of this state.

(b) Where a business operation conducted in Minnesota, is owned by a business entity which carries on business activity outside of the state different in kind from that conducted within this state, and such other business is conducted entirely outside the state, it will be presumed that the two business operations are unitary in nature, interrelated, connected and interdependent unless it can be shown to the contrary.

(5) All other items of gross income shall be assigned to the taxpayer's domicile.

(c) Deductions for losses incurred in connection with income derived from sources outside the state which is included in an individual's gross income pursuant to section 290.17, subdivision 1, may be taken only to the extent of the amount of income derived from sources outside the state in the taxable year during which the loss was incurred.

Sec. 13. Minnesota Statutes 1976, Section 290.37, Subdivision 1, is amended to read:

290.37 [FILING REQUIREMENTS FOR INDIVIDUALS.] Subdivision 1. [PERSONS MAKING RETURNS.] The following persons shall make a return for each taxable year, or fractional part thereof where permitted or required by law:

(a) A single individual with respect to his own taxable net income if that exceeds an amount on which a tax at the rates herein provided would exceed the specified credits allowed, or if his gross income exceeds ~~\$1,000~~ \$1,500 .

(b) A married individual if his own taxable net income or the combined taxable net income of himself and his spouse exceeds an amount on which a tax at the rates herein provided would exceed the specified credits allowed, or if his gross income or the combined gross income of himself and his spouse exceeds ~~\$1,800~~ \$2,300 .

(c) An unmarried individual who has attained the age of 65 before the close of the taxable year with respect to his own taxable net income if that exceeds an amount on which a tax at the rates herein provided would exceed the specified credits allowed or if his gross income exceeds ~~\$1,800~~ \$2,300 .

(d) A married individual living with husband or wife where one has attained the age of 65 before the close of the individual's taxable year if his own taxable net income or the combined taxable net income of himself and his spouse exceeds an amount on which a tax at the rates herein provided would exceed the specified

credits allowed or if his gross income or the combined gross income of himself and his spouse exceeds ~~\$2,400~~ **\$2,900** .

(e) A married individual living with husband or wife and both spouse have attained the age of 65 if his own taxable net income or the combined taxable net income of himself and his spouse exceeds an amount on which a tax at the rates herein provided would exceed the specified credits allowed or if his gross income or the combined gross income of himself and his spouse exceeds ~~\$2,900~~ **\$3,400** .

(f) An unmarried individual who is blind at the close of the taxable year with respect to his own taxable net income if that exceeds an amount on which a tax at the rates herein provided would exceed the specified credits allowed or if his gross income exceeds ~~\$1,800~~ **\$2,300** ; or ~~\$2,400~~ **\$2,900** if the individual has also attained the age of 65 before the close of the taxable year.

(g) A married individual living with husband or wife and one is blind at the close of the taxable year with respect to his own taxable net income or the combined taxable net income of himself and his spouse exceeds an amount on which a tax at the rates herein provided would exceed the specified credits allowed or if his gross income or the combined gross income of himself and his spouse exceeds ~~\$2,400~~ **\$2,900** ; or ~~\$2,800~~ **\$3,400** if one has attained the age of 65 before the close of the taxable year and ~~\$3,300~~ **\$3,800** if both have attained the age of 65 before the close of the taxable year.

(h) A married individual living with husband or wife where both are blind at the close of the taxable year with respect to his own taxable net income or the combined taxable net income of himself and his spouse exceeds an amount on which a tax at the rates herein provided would exceed the specified credits allowed or if his gross income or the combined gross income of himself and his spouse exceeds ~~\$2,900~~ **\$3,400** ; or ~~\$3,300~~ **\$3,900** if one has attained the age of 65 before the close of the taxable year and ~~\$3,600~~ **\$4,400** if both have also attained the age of 65 before the close of the taxable year.

(i) The personal representative of the estate of a decedent with respect to the taxable net income of such decedent for that part of the taxable year during which he was alive if such taxable net income exceeds an amount on which a tax at the rates herein provided would exceed the specific credits allowed, or if such decedent's gross income for the aforesaid period exceeds ~~\$750~~ **\$1,500** .

(j) The personal representative of the estate of a decedent with respect to the taxable net income of such estate if that exceeds an amount on which a tax at the rates herein provided would exceed the specific credits allowed, or if such estate's gross income exceeds ~~\$750~~ **\$1,500** .

(k) The trustee or other fiduciary of property held in trust with respect to the taxable net income of such trust if that exceeds an amount on which a tax at the rates herein provided

would exceed the specific credits allowed, or if the gross income of such trust exceeds \$750, if in either case such trust belongs to the class of taxable persons.

(l) The guardian of an infant or other incompetent person with respect to such infant's or other person's taxable net income if that exceeds an amount on which a tax at the rates herein provided would exceed the specific credits allowed, or if the gross income of such infant or other incompetent person exceeds ~~\$1,000~~ \$1,500.

(m) Every corporation with respect to its taxable net income if in excess of \$500, or if its gross income exceeds \$5,000. The return in this case shall be signed by an officer of the corporation.

(n) The receivers, trustees in bankruptcy, or assignees operating the business or property of a taxpayer with respect to the taxable net income of such taxpayer if that exceeds an amount on which a tax at the rates herein provided would exceed the specific credits allowed (or, if the taxpayer is a corporation, if the taxable net income exceeds \$500), or if such taxpayer's gross income exceeds \$5,000.

Such return shall (a) be verified or contain a written declaration that it is made under the penalties of criminal liability for wilfully making a false return, and (b) shall contain a confession of judgment for the amount of the tax shown due thereon to the extent not timely paid.

For purposes of (a) through (n) the term "gross income" shall mean gross income as defined in section 61 of the Internal Revenue Code of 1954, as amended through December 31, 1974, modified and adjusted in accordance with the provisions of sections 290.08, 290.17 and 290.65.

Sec. 14. Minnesota Statutes 1976, Chapter 290, is amended by adding a section to read:

[290.091] [MINIMUM TAX ON PREFERENCE ITEMS.] *In addition to all other taxes imposed by chapter 290 there is hereby imposed for each taxable year beginning after December 31, 1976, a tax which, in the case of a resident individual, estate or trust, shall be equal to 40 percent of the amount of the taxpayer's minimum tax liability for tax preference items pursuant to the provisions of sections 56 to 58 and 443(d) of the Internal Revenue Code of 1954 as amended through December 31, 1976 except that for purposes of the tax imposed by this section, excess itemized deductions as defined in section 57(b) shall not include any deduction taken for Minnesota income tax paid. In the case of any other taxpayer the tax shall equal 40 percent of that federal liability, multiplied by a fraction the numerator of which is the amount of the taxpayer's preference item income allocated to this state pursuant to the provisions of sections 290.17, subdivision 2, to 290.20, and the denominator of which is the taxpayer's total preference item income for federal purposes.*

Sec. 15. [REPEALER.] *Minnesota Statutes 1976, Section 290.65, Subdivision 1, is repealed.*

Sec. 16. [EFFECTIVE DATE.] *The Internal Revenue Code updated provision in section 1 is effective for taxable years beginning after December 31, 1976. Section 3 is effective for wages paid after December 31, 1977. Section 14 is effective for taxable years beginning after December 31, 1976. The remainder of this article is effective for taxable years beginning after December 31, 1977.*

ARTICLE II

Section 1. Minnesota Statutes 1976, Section 290A.01 is amended to read:

290A.01 [CITATION.] Sections 290A.01 to 290A.21 may be cited as the "State of Minnesota Income Adjusted Homestead Credit Property Tax Refund Act."

Sec. 2. Minnesota Statutes 1976, Section 290A.03, Subdivision 3, is amended to read:

Subd. 3. [INCOME.] "Income" means the sum of the following:

(a) federal adjusted gross income as defined in the Internal Revenue Code of 1954 as amended through December 31, 1974, 1976; and

(b) the sum of the following amounts to the extent not included in clause (a):

(i) additions to federal adjusted gross income as provided in Minnesota Statutes, Section 290.01, Subdivision 20, Clause (a) (1), (a) (2), (a) (3), ~~(a) (4)~~, ~~(a) (8)~~, and (a) (10); and;

(ii) all nontaxable income; including but not limited to the amount of;

(iii) recognized net long term capital gains excluded from adjusted gross income;

(iv) dividends excluded from federal adjusted gross income under section 116 of the Internal Revenue Code of 1954;

(v) cash public assistance and relief; the gross amount of;

(vi) any pension or annuity (including railroad retirement benefits, all payments received under the federal social security act, supplemental security income, and veterans disability pensions), which was not exclusively funded by the claimant or spouse, or which was funded exclusively by the claimant or spouse and which funding payments were excluded from federal adjusted gross income in the years when the payments were made;

(vii) nontaxable interest received from the state or federal government or any instrumentality or political subdivision thereof;

(viii) worker's compensation;

(ix) unemployment benefits;

(x) nontaxable strike benefits ; ; and

(xi) the gross ~~amount~~ amounts of "less of time" insurance payments received in the nature of disability income or sick pay as a result of accident, sickness, or other disability, whether funded through insurance or otherwise . In the case of an individual who files an income tax return on a fiscal year basis, the term "federal adjusted gross income" shall mean federal adjusted gross income reflected in the fiscal year ending in the calendar year. "Income" does not include

(a) amounts excluded pursuant to the Internal Revenue Code, Sections 101(a), 102, 117, and 121;

(b) amounts of any pension or annuity which was exclusively funded by the claimant or spouse and which funding payments were not excluded from federal adjusted gross income in the years when the payments were made;

(c) gifts from nongovernmental sources; ;

(d) surplus food or other relief in kind supplied by a governmental agency ; ; or

(e) relief granted under sections 273.012, subdivision 2 or 290A.01 to 290A.21.

Sec. 3. Minnesota Statutes 1976, Section 290A.03, Subdivision 5, is amended to read:

Subd. 5. [HOUSEHOLD INCOME.] "Household income" means all income received by all persons of a household in a calendar year while members of the household , *other than income of a dependent* .

Sec. 4. Minnesota Statutes 1976, Section 290A.03, Subdivision 7, is amended to read:

Subd. 7. [DEPENDENT.] "Dependent" means any person who is under 18 years of age at the end of the calendar year who receives more than 50 percent of his support from the claimant, or who is between 18 and 21 years of age and is a full time student who receives more than 50 percent of his support from the claimant. "*Dependent*" includes a parent of the claimant or spouse who lives in the claimant's homestead. "*Dependent*" includes a person over 18 years of age who lives in the claimant's homestead and who receives more than 50 percent of his support from the claimant.

Sec. 5. Minnesota Statutes 1976, Section 290A.03, Subdivision 8, is amended to read:

Subd. 8. [CLAIMANT.] "Claimant" means a person , *other than a dependent*, who filed a claim authorized by sections 290A.01 to 290A.21 and who was domiciled in this state during the calendar year for which the claim for relief was filed. In the case of a claim relating to rent constituting property taxes, the claimant shall have resided in a rented or leased unit on which ad

valorem taxes or payments made in lieu of ad valorem taxes are payable for ~~not less than six months~~ of at some time during the calendar year covered by the claim, except that a claimant who is disabled or who has attained the age of 65 on the date specified in section 290A.04, subdivision 1, may file a claim based on residence in a unit on which ad valorem taxes were not payable. In the case of a part year resident, the income and rental reflected in this computation shall be for the period of Minnesota residency only. Any rental expenses paid which may be reflected in arriving at federal adjusted gross income cannot be utilized for this computation. ~~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, who are not husband and wife, the rent shall be deemed to be paid equally by each, and separate claims shall be filed by each. The income of each shall be his household income for purposes of computing the amount of credit to be allowed.

Sec. 6. Minnesota Statutes 1976, Section 290A.03, Subdivision 11, is amended to read:

Subd. 11. [RENT CONSTITUTING PROPERTY TAXES.] "Rent constituting property taxes" means 20 22 percent of the gross rent actually paid in cash, or its equivalent, or that portion of gross rent which is paid in lieu of property taxes, in 1975 1977 or any subsequent calendar year by a claimant solely for the right of occupancy of his Minnesota homestead in the calendar year, and which rent constitutes the basis, in the succeeding calendar year of a claim for relief under sections 290A.01 to 290A.21 by the claimant.

Sec. 7. Minnesota Statutes 1976, Section 290A.03, Subdivision 12, is amended to read:

Subd. 12. [GROSS RENT.] "Gross rent" means rental paid solely for the right of occupancy, at arms-length, of a homestead, exclusive of charges for any utilities, services, furniture, or furnishings 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, or 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 this chapter. 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. 8. Minnesota Statutes 1976, Section 290A.03, Subdivision 13, is amended to read:

Subd. 13. [PROPERTY TAXES PAYABLE.] "Property taxes payable" means the property tax exclusive of special assessments, penalties, and interest payable on a claimant's homestead before reductions made pursuant to section 273.13, subdivisions 6 and 7, but after deductions made pursuant to sections 273.132 and 273.135, in 1976 1977 or any calendar year thereafter. *No apportionment or reduction of the "property taxes payable" shall be required for the use of a portion of the claimant's homestead for a business purpose if the claimant does not deduct any business depreciation expenses for the use of a portion of the homestead in the determination of federal adjusted gross income.* For homesteads which are mobile homes as defined in section 168.011, subdivision 8, "property taxes payable" shall also include ~~20~~ 22 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, ~~"property taxes payable" is that part of such tenants shall determine between them which tenant may claim the property taxes payable on the homestead as reflects the percentage of ownership of the claimant and spouse.~~ *If they are unable to agree, the matter shall be referred to the commissioner of revenue and his decision shall be final.* Property taxes are considered payable in the year prescribed by law for payment of the taxes.

In the case of a claim relating to "property taxes payable", the claimant must have owned and occupied the homestead on January 2 of the year in which the tax is payable.

Sec. 9. Minnesota Statutes 1976, Section 290A.04, Subdivision 2, is amended to read:

Subd. 2. The credit refund 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~~ \$2,999, ~~1.0~~ 0.5 percent, up to \$475;

3,000 to 3,999, 0.6 percent, up to \$475;

4,000 to 4,999, 0.7 percent, up to \$475;

5,000 to 5,999, 0.8 percent, up to \$475;

6,000 to 6,999, 0.9 percent, up to \$475;

- 7,000 to 7,999, 1.0 percent, up to \$475;
 8,000 to 8,999, 1.1 percent, up to \$475;
 9,000 to 9,999, 1.2 percent, up to \$475;
 10,000 to 10,999, 1.3 percent, up to \$475;
 11,000 to 11,999, 1.4 percent, up to \$475;
 2,500 12,000 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 payment made to a claimant shall be the amount of refund calculated pursuant to this subdivision, but not exceeding \$675, less the homestead credit given pursuant to section 273.13, subdivisions 6 and 7.

Sec. 10. Minnesota Statutes 1976, Section 290A.04, is amended by adding a subdivision to read:

Subd. 2a. An additional refund shall be allowed each claimant who was not disabled or who had not attained the age of 65 by June 1 of the year in which the taxes were payable and whose claim is based on taxes paid on the home he owns in an amount equal to 35 percent of the amount by which property taxes payable and rent constituting property taxes exceed the sum of (a) the refund calculated pursuant to subdivision 2 and (b) the percentage of the claimant's household income specified in subdivision 2. The sum of the refunds provided in subdivision 2 and

this subdivision shall not exceed the maximum amounts provided below.

For claimants earning:

- \$ 0 to 19,999, up to \$800;*
- 20,000 to 25,999, up to \$800;*
- 26,000 to 35,999, up to \$650;*
- 36,000 and over, up to \$325;*

provided that maximum refunds for incomes above \$20,000 decline according to the following schedule:

between \$20,000 and \$26,000 decline \$25 per \$1,000; between \$26,000 and \$36,000 decline \$32.50 per \$1,000. A claimant who owns his own homestead part of the year and rents part of the year may add his rent constituting property taxes to the qualifying tax on his homestead and receive the additional refund provided in subdivision 2a.

Sec. 11. Minnesota Statutes 1976, Section 290A.04, is amended by adding a subdivision to read:

Subd. 2b. An additional refund shall be allowed each claimant who is disabled or has attained the age of 65 by June 1 of the year in which the taxes were payable in an amount equal to 50 percent of the amount by which property taxes payable or rent constituting property taxes exceed the sum of (a) the refund calculated pursuant to subdivision 2 and (b) the percentage of the claimant's household income specified in subdivision 2. The sum of the refunds provided in subdivision 2 and this subdivision shall not exceed the maximum amounts provided below.

For claimants earning:

- \$ 0 to 19,999, up to \$800;*
- 20,000 to 22,999, up to \$800;*
- 23,000 to 25,999, up to \$763;*
- 26,000 to 35,999, up to \$725;*
- 36,000 and over, up to \$525;*

provided that maximum refunds for incomes above \$20,000 decline according to the following schedule:

between \$20,000 and \$26,000 decline \$12.50 per \$1,000; between \$26,000 and \$36,000 decline \$20 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 refund shall not be less than the refund 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.

Sec. 12. Minnesota Statutes 1976, Section 290A.05, is amended to read:

290A.05 [COMBINED HOUSEHOLD INCOME.] If a person occupies a homestead with another person or persons not related to the person as husband and wife, excluding ~~dependent children dependents~~, roomers or boarders on contract, and has property tax payable with respect to the homestead, the household income of the claimant or claimants for the purpose of computing the *credit refund* allowed by section 290A.04 shall include the total income received by the other persons residing in the homestead. If a person occupies a homestead with another person or persons not related as husband and wife or as ~~dependent children dependents~~, the property tax payable or rent constituting property tax shall be reduced as follows:

If the other person or persons are residing at the homestead under rental or lease agreement, the amount of property tax payable or rent constituting property tax shall be that portion not covered by the rental agreement.

Sec. 13. Minnesota Statutes 1976, Section 290A.08, is amended to read:

290A.08 [ONE CLAIMANT PER HOUSEHOLD.] Only one claimant per household per year is entitled to relief under sections 290A.01 to 290A.21. *Payment of the claim for relief may be made payable to the husband and wife as one claimant. The commissioner, upon written request, may issue separate checks, to the husband and wife for one-half of the relief provided the original check has not been issued or has been returned.*

Sec. 14. Minnesota Statutes 1976, Section 290A.10, is amended to read:

290A.10 [PROOF OF TAXES PAID.] Every claimant who files a claim for relief for property taxes payable shall include with his claim a property tax statement or a reproduction thereof in a form deemed satisfactory by the commissioner of revenue indicating that there are no delinquent property taxes on the homestead. Indication on the property tax statement from the county treasurer that there are no delinquent taxes on the homestead shall be sufficient proof. *Taxes included in a confession of judgment under section 279.37 shall not constitute delinquent taxes as long as the claimant is current on the payments required to be made under section 279.37.*

Sec. 15. Minnesota Statutes 1976, 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~~ *this chapter* and to retain one copy for his records. The property tax statement, in a form prescribed by the commis-

sioner, shall indicate the manner in which the claimant may claim relief from the state 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. *Taxes included in a confession of judgment under section 279.37 shall not constitute delinquent taxes as long as the claimant is current on the payments required to be made under section 279.37.*

Sec. 16. Minnesota Statutes 1976, Section 290A.18, is amended to read:

290A.18 [RIGHT TO FILE CLAIM.] If a claimant person entitled to relief under sections 290A.01 to 290A.21 dies prior to filing a claim or receiving relief, the surviving spouse or dependent child of the claimant person shall be entitled to file the claim and receive relief. If there is no surviving spouse or dependent child, the right to the credit shall lapse.

Sec. 17. Minnesota Statutes 1976, Section 290A.19, is amended to read:

290A.19 [LANDLORD TO FURNISH RENT CERTIFICATE; PENALTY.] The owner or managing agent of any property for which rent is paid for occupancy as a homestead shall furnish a certificate of rent paid to each person who is a renter on December 31, in the form prescribed by the commissioner. *If the renter moves prior to December 31, the obligation of the owner or managing agent shall be to either provide the certificate to the renter at the time he moves, upon the renter's request, or to mail the certificate to the forwarding address provided by the renter.* The certificate shall be made available to the renter not later than February 15 of the year following the year in which the rent was paid. Any owner or managing agent who willfully fails to furnish a certificate as provided herein shall be liable to the commissioner for a penalty of \$20 for each act or failure to act. The penalty shall be assessed and collected in the manner provided in chapter 290 for the assessment and collection of income tax.

Sec. 18. Minnesota Statutes 1976, Chapter 290A, is amended by adding a section to read:

[290A.23] [APPROPRIATION.] *There is appropriated from the general fund in the state treasury to the commissioner of revenue the amount necessary to make the payments required by chapter 290A.*

Sec. 19. Laws 1976, Chapter 334, Section 21, is amended to read:

Sec. 21. [EFFECTIVE DATE.] Sections 5, 6, 8, 10, 11, 13, 17 and 19 are effective the day following final enactment. Sections 12 and 15 are effective for taxable years beginning after December 31, 1976. Sections 7, 9 and 20 are effective for taxes payable in 1977 and subsequent years. Section 16 shall be effective for claims filed in 1977 and subsequent years. Section 14

is a declaration of law existing prior to enactment of Laws 1975, Chapter 349, Section 17, and is not a change in such preexisting law. Sections 1, 15 and 18 are effective for taxable years beginning after December 31, 1974. Sections 2, 3 and 4 are effective for taxable years beginning after December 31, 1976.

Sec. 20. [REPEALER.] *Minnesota Statutes 1976, Sections 273.011; 273.012; 290.0601; 290.0602; 290.0603; 290.0604; 290.0605; 290.0606; 290.0608; 290.0609; 290.061; 290.0611; 290.0612; 290.0614; 290.0615; 290.0616; 290.0618; 290.066; 290.981; 290.982; 290.983; 290.984; 290.985; 290.986; 290.987; 290.988; 290.989; 290.99; 290.991; 290.992; and 290A.21 are repealed.*

Sec. 21. [EFFECTIVE DATE.] *Sections 13, 14 and 15 are effective for claims filed in 1977 and subsequent years. Section 16 is effective for claims based on rent paid in 1975 and subsequent years and property taxes payable in 1976 and subsequent years. Persons who file claims pursuant to section 16 prior to December 31, 1977 for previous years shall not be subject to the penalties provided in Minnesota Statutes, Section 290A.06. Section 19 is effective on the day after enactment, and claims allowable as a result of the changes made in section 19 shall not be subject to the penalties provided in Minnesota Statutes, Section 290A.06. The remainder of this article is effective for claims based on rent paid in 1977 and subsequent years and property taxes payable in 1978 and subsequent years.*

ARTICLE III

Section 1. Minnesota Statutes 1976, Section 124.212, Subdivision 7b, is amended to read:

Subd. 7b. For the 1976-1977 1978-1979 school year a district shall receive in foundation aid the lesser of (1) \$960 \$1,090 per pupil unit less 29 28 mills times the 1974 1976 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 subdivision 6b, clause (2), and the greater of (a) two-thirds of the difference that results when such greater sum is subtracted from \$960, or (b) \$60, bears to \$960 plus the amount of the agricultural tax credit by which 1977 payable 1978 property taxes in the district are reduced pursuant to section 273.132.

Sec. 2. Minnesota Statutes 1976, Section 124.212, Subdivision 10, is amended to read:

Subd. 10. (a) The equalization aid review committee, consisting of the commissioner of education, the commissioner of administration, and the commissioner of revenue, is hereby continued and permanently established. The duty of this committee shall be to review the assessed valuation of the districts of the state. When such reviews disclose reasonable evidence that the assessed valuation of any district furnished by any county auditor is not based upon the market value of taxable property in such district, then

said committee shall call upon the department of revenue to ascertain the market value of such property, and adjust such values as required by law to determine the adjusted assessed valuation. The department of revenue shall take such steps as it may consider are necessary in the performance of that duty and may incur such expense as is necessary therefor. The commissioner of revenue is authorized to reimburse any county or governmental official for services performed at his request in ascertaining such adjusted valuation. On or before March 15, annually, the department of revenue shall submit its report on the assessed values established by the previous year's assessment to said committee for approval or rejection and, if approved, such report shall be filed not later than the following July 1 with the commissioner of education and each county auditor for those school districts for which he has the responsibility for determination of mill rates. A copy of the adjusted assessed value so filed shall be forthwith mailed to the clerk of each district involved and to the county assessor or supervisor of assessments of the county or counties in which such district is located.

(b) For purposes of determining the adjusted assessed value of agricultural lands for the calculation of 1977 adjusted assessed values and thereafter, the market value of agricultural lands shall be the arithmetic average of (1) the price for which the property would sell in an arms length transaction, and (2) the income which could be derived from its free market gross rental rate capitalized at a rate of nine percent.

Sec. 3. Minnesota Statutes 1976, Section 256.82, is amended to read:

256.82 [PAYMENTS BY STATE.] Based upon estimates submitted by the county agency to the state agency, which shall state the estimated required expenditures for the succeeding month, upon the direction of the state agency payment shall be made monthly in advance by the state to the counties of all federal funds available for that purpose for such succeeding month, together with an amount of state funds equal to 50 60 percent of the difference between the total estimated cost and the federal funds so available. Adjustment of any overestimate or underestimate made by any county shall be made upon the direction of the state agency in any succeeding month.

Sec. 4. Minnesota Statutes 1976, Section 273.111, Subdivision 4, is amended to read:

Subd. 4. The value of any real estate described in subdivision 3 shall upon timely application by the owner, in the manner provided in subdivision 8, be determined solely with reference to its appropriate agricultural classification and value notwithstanding sections 272.03, subdivision 8 and 273.11. In determining such value for ad valorem tax purposes the assessor shall not consider any added values resulting from nonagricultural factors. However, agricultural land which the assessor may determine to be adaptable for development and which abuts a lakeshore line shall not qualify under the provisions of Laws 1969, Chapter 1030 for a distance within 20 rods of the shoreline.

Sec. 5. Minnesota Statutes 1976, Section 273.13, Subdivision 4, is amended to read:

Subd. 4. [CLASS 3.] (a) Tools, implements and machinery of an electric generating, transmission or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings, which are fixtures, all agricultural land, except as provided by classes 1, 3b, 3e, all buildings and structures assessed as personal property and situated upon land of the state of Minnesota or the United States government which is rural in character and devoted or adaptable to rural but not necessarily agricultural use shall constitute class 3 and shall be valued and assessed at 33 $\frac{1}{3}$ percent of the market value thereof, *except as provided in clause (b)*. All real property devoted to temporary and seasonal residential occupancy for recreational purposes, and which is not devoted to commercial purposes for more than 200 days in the year preceding the year of assessment, shall be class 3 property and assessed accordingly. For this purpose, property is devoted to commercial use on a specific day if it is used, or offered for use, and a fee is charged for such use.

(b) *For taxes assessed in 1977, payable in 1978, agricultural land and real property devoted to temporary and seasonal residential occupancy for recreation purposes which is classified as class 3 shall be assessed at 31 percent of its market value, and for taxes assessed in 1978, payable in 1979 and thereafter, it shall be assessed at 30 percent of its market value.*

Sec. 6. Minnesota Statutes 1976, Section 273.13, Subdivision 6, is amended to read:

Subd. 6. [CLASS 3B.] Agricultural land, except as provided by class 1 hereof, and which is used for the purposes of a homestead, shall constitute class 3b and shall be valued and assessed at 20 18 percent of the market value thereof *in 1977, for taxes payable in 1978, and at 16 percent thereafter*. The property tax to be paid on class 3b property as otherwise determined by law not exceeding 120 acres less any reduction received pursuant to section 273.135, regardless of whether or not the market value is in excess of the homestead base value, ~~for all purposes except the payment of principal and interest on non school district bonded indebtedness,~~ shall be reduced by 45 percent of the tax; provided that the amount of said reduction shall not exceed \$325. Valuation subject to relief *in 1977 for taxes payable in 1978* shall be limited to 120 acres of land, most contiguous surrounding, or bordering the house occupied by the owner as his dwelling place, and, such other structures as may be included thereon utilized by the owner in an agricultural pursuit. *For taxes levied in 1978 payable 1979 and subsequent years, valuation subject to relief shall be limited to 160 acres of land, most contiguous surrounding, or bordering the house occupied by the owner as his dwelling place, and such other structures as may be included thereon utilized by the owner in an agricultural pursuit.* If the market value is in excess of the homestead base value, the amount in excess of that sum shall be valued

and assessed as provided for by class 3 at 31 percent of its market value in 1977, for taxes payable in 1978, and at 30 percent thereafter. The first \$12,000 market value of each tract of real estate which is rural in character and devoted or adaptable to rural but not necessarily agricultural use, used for the purpose of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law.

Agricultural land as used herein, and in section ~~273.132~~ 273.132, shall mean contiguous acreage of ten acres or more, primarily used during the preceding year for agricultural purposes. Agricultural use may include pasture, timber, waste, unusable wild land and land included in federal farm programs.

Real estate of less than ten acres used principally for raising poultry, livestock, fruit, vegetables or other agricultural products, shall be considered as agricultural land, if it is not used primarily for residential purposes.

Sec. 7. Minnesota Statutes 1976, Section 273.13, Subdivision 7, is amended to read:

Subd. 7. [CLASS 3C, 3CC.] All other real estate and class 2a property, except as provided by classes 1 and 3cc, which is used for the purposes of a homestead, shall constitute class 3c, and shall be valued and assessed at ~~25~~ 22 percent of the market value thereof in 1977, for taxes payable in 1978, and at 20 percent thereafter. The property tax to be paid on class 3c property as otherwise determined by law, less any reduction received pursuant to section 273.135, regardless of whether or not the market value is in excess of the homestead base value, ~~for all purposes except the payment of principal or interest on non-school district bonded indebtedness,~~ shall be reduced by 45 percent of the amount of such tax; provided that the amount of said reduction shall not exceed \$325. If the market value is in excess of the sum of the homestead base value, the amount in excess of that sum shall be valued and assessed at ~~40~~ 36 percent of market value in 1977, for taxes payable in 1978, and at 33 1/2 percent thereafter. The first \$12,000 market value of each tract of such real estate used for the purposes of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law. All Class 3cc property shall include only real estate which is used for the purposes of a homestead by (a) any blind person, if such blind person is the owner thereof or if such blind person and his or her spouse are the sole owners thereof; or by (b) any person (hereinafter referred to as veteran) who: (1) served in the active military or naval service of the United States and who (2) is entitled to compensation under the laws and regulations of the United States for permanent and total service-connected disability due to the loss, or loss of use, by reason of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude motion without the aid of braces, crutches, canes, or a wheel chair, and who (3) with assistance by the administration of veterans affairs has acquired a special housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability; or by

(c) any person who : (1) is permanently and totally disabled and ~~who~~ (2) is receiving (i) aid from any state as a result of that disability, or ~~who is receiving~~ (ii) supplemental security income for the disabled, or ~~who is receiving~~ (iii) worker's compensation based on a finding of total and permanent disability, or ~~who is receiving~~ (iv) social security disability, or ~~who is receiving~~ (v) aid under the federal railroad retirement act of 1937, 45 United States Code Annotated, Section 228b(a)5 ; which aid is at least 90 percent of the total income of such disabled person from all sources ; ~~shall constitute~~ . Class 3cc and *property* shall be valued and assessed at five percent of the market value thereof. Permanently and totally disabled for the purpose of this subdivision means a condition which is permanent in nature and totally incapacitates the person from working at an occupation which brings him an income. The property tax to be paid on class 3cc property as otherwise determined by law, less any reduction received pursuant to section 273.135, regardless of whether or not the market value is in excess of the homestead base value, for all purposes ~~except the payment of principal or interest on non-school district bonded indebtedness~~, shall be reduced by 45 percent of the amount of such tax; provided that the amount of said reduction shall not exceed \$325. If the market value is in excess of the sum of ~~\$24,000~~ *\$28,000* , the amount in excess of that sum shall be valued and assessed at ~~23 1/2~~ *31 percent in 1977, for taxes payable in 1978 and 30 percent thereafter*, in the case of agricultural land used for a homestead and ~~40~~ *36 percent* in the case of all other real estate used for a homestead ~~for taxes payable in 1978 and 33 1/2 percent for taxes payable in 1979 and subsequent years~~ .

Sec. 8. Minnesota Statutes 1976, Section 273.13, Subdivision 14a, is amended to read :

Subd. 14a. [BUILDINGS AND APPURTENANCES ON LAND NOT OWNED BY OCCUPANT.] The property tax to be paid in respect of the value of all buildings and appurtenances thereto owned and used by the occupant as a permanent residence, which are located upon land subject to property taxes and the title to which is vested in a person or entity other than the occupant, for all purposes ~~except the payment of principal and interest on bonded indebtedness~~, shall be reduced by 45 percent of the amount of the tax in respect of said value as otherwise determined by law, but not by more than \$325.

Sec. 9. *The 1976 adjusted assessed values determined under the provisions of section 124.212 shall be computed using the assessment ratios for taxes payable in 1978 provided by sections 5, 6 and 7. The 1977 adjusted assessed values determined under the provisions of section 124.212 shall be computed using the assessment ratios for taxes payable in 1979 provided by sections 5, 6 and 7. In the case of adjusted assessed values which are limited under the provisions of section 124.212, subdivision 11, clause (a), the recomputation provided in this section shall be made on the limited value.*

Sec. 10. Minnesota Statutes 1976, Section 273.132, is amended to read:

273.132 [STATE PAID AGRICULTURAL CREDIT.] The county auditor shall reduce the tax on all property receiving the homestead credit pursuant to section 273.13, subdivision 6, by an amount equal to the tax levy that would be produced by applying a rate of ~~12 15~~ 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 as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review such certifications to determine their accuracy. He may make such changes in the certification as he may deem necessary or return a certification to the county auditor for corrections.

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. 11. Minnesota Statutes 1976, Section 273.138, Subdivision 2, is amended to read:

Subd. 2. Each county government, city and township shall receive reimbursement in ~~1974~~ 1978 and subsequent years in an amount equal to the product of its total mill rate ~~in levy year 1972,~~ for taxes payable in 1973 *the calendar year in which the aid is to be paid*, times the total 1972 assessed value of real property exempted from taxation by section 272.02, subdivision 1 which was located within the territory of such governmental unit *times 1.25*. For the purpose of this subdivision, the "total mill rate" of a county government, city or township includes mill rates for taxes levied by such governmental unit which were not levied on the entire taxable value of such governmental unit.

Sec. 12. Minnesota Statutes 1976, Section 275.125, Subdivision 2a, is amended to read:

Subd. 2a. (1) In ~~1975~~ 1977, a school district may levy for all general and special school purposes, an amount equal to the amount raised by ~~28 mills times the 1974 1976 adjusted assessed valuation of the district times the number of mills, not to exceed 20, that bears the same relation to 20, as the greater sum computed pursuant to section 124.212, subdivision 7b, clause (2), bears to \$960.~~

(2) In ~~1976~~ 1978, a school district may levy for all general and special school purposes, an amount equal to the amount raised

by 27 mills times the 1975 1977 adjusted assessed valuation of the district times the number of mills, not to exceed 20, that bears the same relation to 20, 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 95 percent of 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 50 percent of 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) (a) 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) state the maximum amount of the increased levy in mills, the amount that will be raised by that millage in the first year it is to be levied, and that the millage shall be used to finance school operations. The question may designate a specific number of years for which the referendum authorization shall apply. If approved, the amount provided by the approved millage applied to each year's assessed taxable valuation shall be authorized for certification for the number of years approved, if applicable, or until revoked by the voters of the district at a subsequent referendum, which.

(b) A referendum on the question of revoking the increased levy amount authorized pursuant to clause (a) of this clause 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. The amount approved by the voters of the district pursuant to clause (a) of this clause must be levied at least once before it is subject to a referendum on its revocation for subsequent years. Only one such revocation election may be held to revoke a levy for any specific year and for years thereafter.

(c) A petition authorized by clauses (a) or (b) of 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 .~~

(d) Notwithstanding any law to the contrary, the approval of 50 percent plus one of those voting on the question is required to pass a referendum.

(e) *Within 30 days after the district holds a referendum pursuant to this clause, the district shall notify the commissioner of education of the results of the referendum.*

Sec. 13. [APPROPRIATION.] *The sum of \$11,000,000 is appropriated from the general fund to the commissioner of public welfare for the purpose of making the increased distributions required by section 3.*

Sec. 14. [EFFECTIVE DATE.] *Section 3 of this article is effective for payments made after December 31, 1977. Sections 4 and 10 are effective for taxes levied in 1977 payable in 1978 and thereafter.*

ARTICLE IV

Section 1. Minnesota Statutes 1976, Section 124.212, Subdivision 11, is amended to read:

Subd. 11. (a) The committee shall not increase the adjusted assessed valuation, exclusive of property valuation added, improved, reclassified, or reassessed since the prior assessment, of taxable property for 1962 or any subsequent year in any school district by more than eight percent over the certified valuation established for the year immediately preceding.

(b) The sales ratio studies, or any part thereof, or any copy of the same, or records accumulated in preparation thereof, which are prepared by the commissioner of revenue for the equalization aid review committee for use in determining school aids pursuant to this section *published by the department of revenue* shall not be admissible in evidence in any proceeding, *except that in the case of property described in section 273.13, subdivisions 6, 6a, 7, 7b, 10 or 12 the sales ratio studies shall be admissible as a public record without the laying of a foundation in actions under chapter 278 and actions for review of the determination of the school aids payable under this section.*

Sec. 2. Minnesota Statutes 1976, Chapter 272, is amended by adding a section to read:

[272.115] [CERTIFICATE OF VALUE TO BE FILED.] *Subdivision 1. Whenever any real estate is sold for a consideration in excess of \$1,000, whether by warranty deed, quitclaim deed, con-*

tract for deed or any other method of sale, the grantor, grantee or his legal agent shall file within 30 days from the date of the sale, a certificate of value with the county auditor in the county in which the property is located. Value shall, in the case of any deed not a gift, be the amount of the full actual consideration thereof, paid or to be paid, including the amount of any lien or liens assumed. The certificate of value shall include the classification to which the property belongs for the purpose of determining the fair market value of the property.

Subd. 2. The certificate of value shall require such facts and information as may be determined by the equalization aid review committee to be reasonably necessary in the administration of the state education aid formulas. The form of the certificate of value shall be prescribed by the department of revenue which shall provide an adequate supply of forms to each county auditor.

Subd. 3. The county auditor shall transmit two true copies of the certificate of value to the assessor who shall insert the most recent market value and when available, the year of original construction of each parcel of property on both copies and shall transmit one copy to the department of revenue. Upon the request of a city council located within the county, a copy of each certificate of value for property located in that city shall be made available to the governing body of the city.

Subd. 4. Beginning with taxes payable in 1979, no purchaser under a contract for deed shall receive the homestead credit provided under section 273.13, subdivisions 6 and 7; the agricultural mill credit provided in section 273.132; or the taconite homestead credit provided in sections 273.134 to 273.136, unless a certificate of value has been filed with the county auditor on that contract for deed in accordance with this section.

This subdivision shall apply to any real estate taxes that are payable the year or years following the sale of the property. In the case of property sold under a contract for deed prior to 1978, this subdivision shall apply to real estate taxes payable in 1979 and subsequent years.

Sec. 3. Minnesota Statutes 1976, Section 375.192, is amended by adding a subdivision to read:

Subd. 3. Subject to the approval of the commissioner of revenue, the county board shall authorize the county auditor to grant the credits denied under section 2, subdivision 4 of this article, provided that a certificate of value has been filed with the county auditor. The county board shall not hear any requests under this subdivision after May 31 of the year in which the taxes are payable.

Sec. 4. Minnesota Statutes 1976, Section 273.11, Subdivision 2, is amended to read:

Subd. 2. (a) The assessor after determining the value of any property shall compare the value with that determined in the preceding assessment. Notwithstanding the provisions of section 273.17, the amount of the increase entered in the current assess-

ment shall not exceed ten percent of the value in the preceding assessment or one-fourth of the total amount of the increase in valuation whichever is greater; the excess shall be entered in a subsequent year or years. However, no increase shall be greater than ten percent of the preceding valuation or one-fourth of the total amount of increase in valuation, whichever is greater, notwithstanding the provisions of section 273.17; provided, however, that if the amount of the increase in market value is

(i) more than ten percent but no more than 20 percent, the excess shall be entered in the following year;

(ii) more than 20 percent but no more than 40 percent, ten percent shall be entered in each subsequent year until the amount remaining to be entered is less than 10 percent in which case the amount remaining will be entered in the next subsequent year; or

(iii) more than 40 percent, the excess shall be entered equally in the three subsequent years.

(b) In the case of property described in section 273.13, subdivisions 6, 7, 7b, 10, 12, 17, 17b and 19, plus all agricultural property and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes which was not subject to the five percent limitation in valuation increase for the 1973 or the 1974 assessment that was previously provided pursuant to Minnesota Statutes 1974, Section 273.11, Subdivision 2, the value to be used for levying the 1976 taxes payable in 1977 shall be set at the average percent of market value used for the respective class of property in the 1976 tax levies in its assessment district if the market value as determined by the assessor pursuant to section 273.11, subdivision 1 exceeds by more than ten percent the limited market value established for that class of property. Such property shall subsequently increase in value for property tax purposes as prescribed in clause (a).

Sec. 5. Minnesota Statutes 1976, Section 275.07, is amended to read:

275.07 [CITY, TOWN, COUNTY, SCHOOL DISTRICT AND SPECIAL DISTRICT TAXES.] The taxes voted by cities, towns, and school districts shall be certified by the proper authorities to the county auditor on or before October tenth in each year. If a city, town, county, school district or special district fails to certify its levy by that date, its levy shall be the amount levied by it for the preceding year. If the local unit notifies the commissioner of revenue before October tenth of its inability to certify its levy by that date, and the commissioner is satisfied that the delay is unavoidable and is not due to the negligence of the local unit's officials or staff, the commissioner shall extend the time within which the local unit shall certify its levy.

Sec. 6. Minnesota Statutes 1976, Section 276.01, is amended to read:

276.01 [DELIVERY OF LISTS TO TREASURER.] On or be-

fore the first Monday in January in December 15 each year, the county auditor shall deliver the lists of the several districts of the county to the county treasurer, taking therefor his receipt, showing the total amount of taxes due upon the lists and showing, for qualified property, as defined in section 273.011, for which the credit provided for in section 273.012 is claimed, the base tax, as defined in section 273.011. Where the names of taxpayers appear in the property tax lists, the county auditor shall show the addresses of such taxpayers. Such lists shall be authority for the treasurer to receive and collect taxes therein levied.

In counties in which the auditor has elected to come under the provisions of section 273.03, subdivision 2, he shall, during the year in which such lists as provided for in section 275.28, subdivision 3, are in the possession of the county treasurer, have access thereto for the purposes of changing true and full valuations and the classifications of real estate contained therein which he would have been required to change or otherwise amend in the assessment books provided for in section 273.03, subdivision 1, except for his election to discontinue the preparation of such assessment books. The county auditor shall be the official custodian of such lists after the year during which they are in the county treasurer's possession.

Sec. 7. Minnesota Statutes 1976, Section 276.04, is amended to read:

276.04 [NOTICE OF RATES; PROPERTY TAX STATEMENTS.] On receiving the tax lists from the county auditor, the county treasurer shall, if directed by the county board, give three weeks' published notice in a newspaper specifying the rates of taxation for all general purposes and the amounts raised for each specific purpose. He shall, whether or not directed by the county board, cause to be printed on all tax statements, or on an attachment, a tabulated statement of the dollar amount due to each taxing authority and the amount to be paid to the state of Minnesota from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the state, county, township or municipality and school district shall be separately stated but the amounts due other taxing districts, if any, may be aggregated. The 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 *January 31*; 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. 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 273.132

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. 8. Minnesota Statutes 1976, Section 278.01, is amended to read:

278.01 [DEFENSE OR OBJECTION TO TAX ON LAND; SERVICE AND FILING.] (a) Any person having any estate, right, title, or interest in or lien upon any parcel of land, who claims that such property has been partially, unfairly, or unequally assessed, or that such parcel has been assessed at a valuation greater than its real or actual value, or that the tax levied against the same is illegal, in whole or in part, or has been paid, or that the property is exempt from the tax so levied, may have the validity of his claim, defense, or objection determined by the district court of the county in which the tax is levied by serving copies of a petition for such determination upon the county auditor, county treasurer, and the county attorney and filing the same, with proof of such service, in the office of the clerk of the district court on or before the first day of June of the year in which such tax becomes payable.

(b) Any person having any estate, right, title or interest in or lien upon any parcel which is classified as homestead under the provisions of section 273.13, subdivision 6, 6a, 7, 7b, 10 or 12, who claims that said parcel has been assessed at a valuation which exceeds by ten percent or more the valuation which the parcel would have if it were valued at the average assessment/sales ratio for real property in the same class, in that portion of the county in which that parcel is located, for which the commissioner is able to establish and publish a sales ratio study as determined by the applicable real estate assessment/sales ratio study published by the commissioner of revenue, may have the validity of his claim, defense, or objection determined by the district court of the county in which the tax is levied by serving two copies of a petition for such determination upon the county auditor and one copy each on the county treasurer and the county attorney and filing the same, with proof of such service, in the office of the clerk of the district court on or before the first day of June of the year in which such tax becomes payable. The county auditor shall immediately forward one copy of the petition to the appropriate governmental authority in a home rule charter or statutory city or town in which the property is located if that city or town employs its own certified assessor.

Sec. 9. Minnesota Statutes 1976, Section 278.05, is amended to read:

278.05 [TRIAL OF ISSUES.] Such petition, without any answer, return, or other pleading thereto, shall stand for trial at any general term in session when the same is filed; or, if the court be not then in session, at the next general or special term appointed to be held in the county; and, if no such term be appointed to be held within 30 days thereafter, the same shall be brought to trial at any general term appointed to be held within the judicial district upon ten days notice. The attorney of the county in which these taxes are levied shall take charge of and prosecute such proceedings, but the county board may employ any other attorney to assist him. At the term at which such petition comes on for trial it shall take precedence of all other business before the court. The court shall without delay summarily hear and determine the claims, objections, or defenses made by the petitioner and shall direct judgment accordingly, and the trial thereof shall disregard all technicalities and matters of form not affecting the substantial merits.

Any time after the filing of the petition and before the trial of the issues raised thereby, when the defense or claim presented is that the property has been partially, unfairly, or unequally assessed, or that such parcel has been assessed at a valuation greater than its real or actual value, or that a parcel which is classified as homestead under the provisions of section 273.13, subdivisions 6, 6a, 7, 7b, 10 or 12, has been assessed at a valuation which exceeds by ten percent or more the valuation which the parcel would have if it were valued at the average assessment/sales ratio for real property in the same class in that portion of the county in which the parcel is located, for which the commissioner is able to establish and publish a sales ratio study, the attorney representing the state in the proceedings may serve on the petitioner, or his attorney, and file with the clerk of the district court, an offer to reduce the valuation of any tract or tracts to a valuation set forth in the offer. If, within ten days thereafter, the petitioner, or his attorney, shall give notice in writing to the county attorney that the offer is accepted, he may file same with proof of such notice, and thereupon the clerk shall enter judgment accordingly. Otherwise, the offer shall be deemed withdrawn and evidence thereof shall not be given; and, if a lower valuation than specified in the offer be not found by the court, no costs or disbursements shall be allowed to the petitioner, but the costs and disbursements of the state, including interest at six percent on the tax based on the amount of such offer from and after the first day of November of the year such taxes are payable, shall be taxed in its favor and included in the judgment and when collected shall be credited to the county revenue fund, unless the taxes were paid in full before the first day of November of the year in which such taxes were payable, in which event interest shall not be taxable.

Sec. 10. Minnesota Statutes 1976, Section 287.241, Subdivision 2, is amended to read:

Subd. 2. No deed or instrument providing for the transfer of title to real estate as subject to the tax as provided in section

287.21 and no executory contract for the sale of land shall be recorded in the office of the county recorder or the registrar of titles unless such deed or instrument shall be accompanied by a notice from the county auditor that a certificate of value by the grantor, grantee or his legal agent concerning the property transferred or to be transferred. Value shall, in the case of any deed not a gift, be the amount of the full actual consideration thereof, paid or to be paid, including the amount of any lien or liens assumed. Such certificate of value shall include the classification to which such property belongs for the purpose of determining the fair market value of the property. If the transfer, or fraction thereof, is tax exempt as herein provided, the certificate shall specify the reasons for the exemption was filed in his office as provided in section 272.115 .

Sec. 11. [REPEALER.] *Minnesota Statutes 1976, Section 287.241, subdivisions 3 and 4 are hereby repealed.*

Sec. 12. [EFFECTIVE DATE.] *Section 4 shall be effective for assessment year 1978 and thereafter. Sections 1, 5, 6, 7, 8 and 9 shall be effective for taxable years 1977 payable 1978 and thereafter. Section 2, Subdivisions 1, 2 and 3; Sections 10 and 11 shall be effective January 1, 1978 and thereafter. Section 2, Subdivision 4 and Section 3 shall be effective January 1, 1979 and thereafter.*

ARTICLE V

Section 1. *Minnesota Statutes 1976, Section 275.50, Subdivision 5, is amended to read:*

Subd. 5. Notwithstanding any other law to the contrary for taxes levied in 1975 1977 payable in 1976 1978 and thereafter, "special levies" means those portions of ad valorem taxes levied by governmental subdivisions to:

(a) satisfy judgments rendered against the governmental subdivision by a court of competent jurisdiction in any tort action other than an action on an express contract or default on an express contract, or to pay the costs of settlements out of court against the governmental subdivision in any a tort action other than an action on an express contract when substantiated by a stipulation for the dismissal of the action filed with the court of competent jurisdiction and signed by both the plaintiff and the legal representative of the governmental subdivision, but only to the extent of the increase in levy for such judgments and out of court settlements over levy year 1970, taxes payable in 1971;

(b) pay the costs of complying with any written lawful order initially issued prior to January 1, 1977 by the state of Minnesota, or the United States, or any agency or subdivision thereof, which is authorized by law, statute, special act or ordinance and is enforceable in a court of competent jurisdiction, or any stipulation agreement or permit for treatment works or disposal system for pollution abatement in lieu of a lawful order signed by the governmental subdivision and the state of Minnesota, or the United States, or any agency or subdivision thereof which is

enforceable in a court of competent jurisdiction. The commissioner of revenue shall in consultation with other state departments and agencies, develop a suggested form for use by the state of Minnesota, its agencies and subdivisions in issuing orders pursuant to this subdivision;

(c) pay the costs of complying with any law enacted by the 1975 legislature or a subsequent year's legislature which specifically and directly requires a new or altered activity after levy year 1974, taxes payable in 1975; but only to the extent of the increased cost for such activity after levy year 1974, taxes payable in 1975;

(d) pay the costs of an expanded county court system to the extent of the increase in costs over the amount levied in support of a county court or a probate court in levy year 1974, taxes payable in 1975;

(e) pay amounts required by any public pension plan to the extent that operation of the laws of the state of Minnesota or the United States governing such fund directly causes the level of governmental financial support to exceed the level of such support prior to July 1, 1971, provided that such increases are not the result of amendment by any means to the benefit plan after July 1, 1971 which required the approval of the governing body of the governmental subdivision;

(f) pay amounts required to be levied in support of a volunteer firemen's relief association if resulting from the operation of sections 69.772 and 69.773;

(g) pay the costs to a governmental subdivision for their *minimum required* share of any program otherwise authorized by law, including the administrative costs of social services and *but not administrative costs of public assistance programs* or of county welfare systems, for which matching funds have been appropriated by the state of Minnesota or the United States, but only to the extent that the costs to the governmental subdivision for the program exceed those expended in calendar year 1970, subject to rules promulgated by the commissioner of revenue pursuant to the administrative procedures act. *Amounts levied pursuant to this clause which are in excess of the amount necessary to meet the minimum required share of a program shall be deducted from the general levy made in the following year ;*

(h) pay expenses reasonably and necessarily incurred in preventing, preparing for or repairing the effects of natural disaster. "Natural disaster" as used herein means the occurrence or threat of widespread or severe damage, injury or loss of life or property resulting from natural causes, including and limited to fire, flood, earthquake, wind storm, wave action, oil spill, or other water contamination requiring action to avert danger or damage, volcanic activity, drought or air contamination. The emergency services division of the state department of public safety shall formulate standards by which an occurrence of any of the aforementioned natural phenomena would be deemed a natural disaster by reason of the level of damage, injury or loss of life or property

that has occurred or would occur if preventative action was not taken;

(i) (d) pay the costs not reimbursed by the state or federal government, of payments made to or on behalf of recipients of aid under any public assistance program authorized by law;

(j) (e) pay the costs of principal and interest on bonded indebtedness, or, effective for taxes levied in 1973 and years thereafter, to reimburse for the amount of liquor store revenues used to pay the principal and interest due in the year preceding the year for which the levy limit is calculated on municipal liquor store bonds;

(k) (f) pay the costs of principal and interest on certificates of indebtedness, except tax anticipation or aid anticipation certificates of indebtedness, issued for any corporate purpose except current expenses or funding an insufficiency in receipts from taxes or other sources or funding extraordinary expenditures resulting from a public emergency;

(l) (g) fund the payments made to the Minnesota state armory building commission pursuant to section 193.145, subdivision 2, to retire the principal and interest on armory construction bonds;

(m) (h) provide for the bonded indebtedness portion of payments made to another political subdivision of the state of Minnesota;

(n) (i) pay the amounts required to compensate for a decrease in revenues from public service enterprises, municipal liquor stores, licenses, permits, fines and forfeits and no other, to the extent that the aggregate of revenues from these sources in the calendar year preceding the year of levy are less than the aggregate of revenues from these sources in calendar year 1971. "Revenues" from a public service enterprise or a municipal liquor store shall mean the net income or loss of such public service enterprise or municipal liquor store, determined by subtracting total expenses from total revenues, and before any contribution to or from the governmental subdivision. "Fines" for a municipal court means the net amount remaining after subtracting total municipal court expenses from total collections of municipal court fines. A governmental subdivision shall qualify for this special levy only if the decrease in aggregate revenues as computed herein and divided by the population of the governmental subdivision in the preceding levy year is equal to or greater than two percent of the per capita levy limitation for the preceding levy year;

(o) (j) pay the amounts required to compensate for a decrease in mobile homes property tax receipts to the extent that the governmental subdivision's portion of the total levy in the current levy year, pursuant to section 273.13, subdivision 3, as amended, is less than the distribution of the mobile homes tax to the governmental subdivision pursuant to section 273.13, subdivision 3, in calendar year 1971;

(p) (k) pay the amounts required, in accordance with section

275.075, to correct for a county auditor's error of omission in levy year 1971 or a subsequent levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

(r) (l) pay amounts required to correct for an error of omission in the levy certified to the appropriate county auditor or auditors by the governing body of a city or town with statutory city powers in levy year 1971 or a subsequent levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year.

(s) (m) pay the increased cost of municipal services as the result of an annexation or consolidation ordered by the Minnesota municipal board in levy year 1971 or a subsequent levy year, but only to the extent and for the levy years as provided by the board in its order pursuant to section 414.01, subdivision 15. Special levies authorized by the board shall not exceed 50 percent of the levy limit base of the governmental subdivision and may not be in effect for more than three years after the board's order;

(t) (n) pay the increased costs of municipal services provided to new private industrial and nonresidential commercial development, to the extent that the extension of such services are not paid for through bonded indebtedness or special assessments, and not to exceed the amount determined as follows: The governmental subdivision may calculate the aggregate of:

(1) The increased expenditures necessary in preparation for the delivering of municipal services to new private industrial and nonresidential commercial development, but limited to one year's expenditures one time for each such development;

(2) The amount determined by dividing the overall levy limitation established pursuant to sections 275.50 to 275.56, and exclusive of special levies and special assessments, by the total taxable value of the governmental subdivision, and then multiplying this quotient times the total increase in assessed value of private industrial and nonresidential commercial development within the governmental subdivision. For the purpose of this clause, the increase in the assessed value of private industrial and nonresidential commercial development is calculated as the increase in assessed value over the assessed value of the real estate parcels subject to such private development as most recently determined before the building permit was issued. In the fourth levy year subsequent to the levy year in which the building permit was issued, the increase in assessed value of the real estate parcels subject to such private development shall no longer be included in determining the special levy.

The aggregate of the foregoing amounts, less any costs of extending municipal services to new private industrial and nonresidential commercial development which are paid by bonded indebt-

edness or special assessments, equals the maximum amount that may be levied as a "special levy" for the increased costs of municipal services provided to new private industrial and nonresidential commercial development. *In the levy year following the levy year in which the special levy made pursuant to this clause is discontinued, one half of the amount of that special levy made in the preceding year shall be added to the permanent levy base of the governmental subdivision;*

(u) (o) recover a loss or refunds in tax receipts incurred in non-special levy funds resulting from abatements or court action in the previous year pursuant to section 275.48 ;

(p) pay amounts required by law to be paid to reduce unfunded accrued liability of public pension funds, including interest thereon, in accordance with the actuarial standards and guidelines specified in sections 69.71 to 69.776 and 356.215 reduced for levy year 1977 and subsequent years by 106 percent of the amount levied for that purpose in 1976, payable in 1977. For the purpose of this special levy, the estimated receipts expected from the state of Minnesota pursuant to sections 69.011 to 69.031 or any other state aid expressly intended for the support of public pension funds shall be considered as a deduction in determining the required levy for the normal costs of the public pension funds. No amount of these aids shall be considered as a deduction in determining the governmental subdivision's required levy for the reduction of the unfunded accrued liability of public pension funds.

Sec. 2. Minnesota Statutes 1976, Section 275.51, is amended by adding a subdivision to read:

Subd. 3d. The property tax levy limitation for governmental subdivisions in 1977 payable in 1978 and subsequent years shall be calculated as follows:

(a) *The sum of the following amounts shall be computed: (1) the property tax permitted to be levied in 1976 payable 1977 computed pursuant to Minnesota Statutes 1976, Section 275.51, Subdivision 3c, plus*

(2) *the amount of any state aids the governmental subdivision was entitled to receive in calendar year 1977 pursuant to sections 477A.01; 298.26; 298.28, subdivisions 1 and 1a; 298.281; subdivision 1; 298.282; and 294.26, plus*

(3) *the amount levied in 1976 payable 1977 pursuant to Minnesota Statutes 1976, Section 275.50, Subdivision 5, clauses (a), (c), (d), and (e), except for levies made to pay tort judgments and make settlements of tort claims or to pay the salaries and benefits of municipal and probate court judges, plus*

(4) *one half of the amount of the special levy authorized under section 275.50, subdivision 5, clause (n) shall be added to the permanent levy limit base of the governmental subdivision in the year following the year in which it has been discontinued as a special levy pursuant to the provisions of section 275.50, subdivision 5, clause (n).*

(b) *The sum computed in clause (a) shall be increased annually in the manner provided in section 275.52 to derive the levy limit base for successive years.*

(c) *For taxes levied in 1978 payable 1979 and subsequent years, the levy limit base is the levy limit base which was computed for the immediately preceding year under the provisions of this section increased according to the provisions of section 275.52. Any amount levied in 1976 payable 1977 under the provisions of section 275.50, subdivision 5, clauses (a), (c), (d) or (e) to meet the costs of programs, services or legal requirements which cease to exist in a subsequent year shall be subtracted from the levy limit base in the year in which the programs, services or legal requirements for which the levy was made cease to exist.*

(d) *The levy limit base shall be reduced by the total amount of state formula aids pursuant to section 477A.01 and taconite taxes and aids pursuant to sections 294.26; 298.26; 298.28, subdivision 1; and 298.282, to be paid in the calendar year in which property taxes are payable. The resulting figure is the amount of property taxes which a governmental subdivision may levy for all purposes other than those for which special levies and special assessments are made.*

Sec. 3. Minnesota Statutes 1976, Section 275.52, Subdivision 2, is amended to read:

Subd. 2. *The levy limit base per capita, as adjusted for previous increases pursuant to this section, may be increased each year by the governing body of the governmental subdivision affected thereby in the amount not to exceed of six percent the previous year's levy limit base per capita.*

Sec. 4. Minnesota Statutes 1976, Section 275.52, Subdivision 3, is amended to read:

Subd. 3. *If the population of any governmental subdivision decreases increases from one year to the next, the current levy year's population levy limit base shall, for purposes of sections 275.50 to 275.56, be increased by an amount equal to one half of the decrease in population from the prior levy year, such increase to be effective for the said one levy year only the levy limit base per capita for the previous year increased pursuant to subdivision 2 times the current year's population.*

Sec. 5. Minnesota Statutes 1976, Section 275.52, Subdivision 4, is amended to read:

Subd. 4. *For taxes levied in 1975 payable in 1976 and subsequent years The levy limit base of a governmental subdivision may be increased upon approval by the levy limit review board established in section 275.551, for the following reasons:*

(a) *Any governmental subdivision which spent money from its surplus funds for nonspecial levy purposes in calendar year 1971 may have its levy limit base increased by an amount not to exceed the amount of revenue it used from surplus funds for nonspecial levy purposes in calendar year 1971.*

(b) Any governmental subdivision which has been required to provide new services because of changes in state law, whether or not the changed law directly mandates new services, may have its levy limit base increased by an amount not to exceed the amount required to finance the services, provided that the services may not be financed by special levies or special assessments.

(c) Any governmental subdivision which has been required to provide new or expanded services because of annexations, consolidations, mergers or new incorporations since 1970 may have its levy limit base increased by an amount not to exceed the amount required to finance the general operating costs involved in such services.

(d) Any city or township having statutory city powers which has a levy limit base per capita that is below 80 percent of the arithmetic average of the levy limit bases per capita for cities and townships having statutory city powers in the same county may have its levy limit base increased by an amount not to exceed the amount required to bring its levy limit base per capita up to 80 percent of the arithmetic average of levy limit bases per capita for all cities and townships having statutory city powers in the county which are governed by the provisions of sections 275.50 to 275.59. On or before July 1 of 1977 and each subsequent year, the commissioner of revenue shall certify the average levy limit base per capita for each county for purposes of this clause. Provided that if a city or township having statutory powers has received a levy limit base adjustment from the levy limit review board prior to June 1, 1977, that city or township may also qualify for a base adjustment in accordance with this clause.

Any governmental subdivision which desires to have its levy limit base adjusted under the provisions of this subdivision shall apply to the commissioner of revenue, who shall submit all applications to the levy limit review board established in section 275.551. Applications shall be in the form and accompanied by the data required by the levy limit review board. Adjustments authorized by the levy limit review board shall become a permanent part of the levy limit base for the governmental subdivision. The levy limit review board may authorize only one levy limit base adjustment for any governmental subdivision under this subdivision.

Sec. 6. Minnesota Statutes 1976, Section 275.52, is amended by adding a subdivision to read:

Subd. 5. For taxes levied in 1977 payable in 1978 or for taxes levied in 1978 payable in 1979 a city other than a city of the first class, town, or county not containing a city of the first class which, in the preceding levy year, levied at least 98 percent of its total limited levy amount, may determine to levy in excess of the limitation provided in sections 275.50 to 275.56 by not to exceed 10 percent of its levy limit base by passing a resolution setting forth the

amount by which the levy limit is proposed to be exceeded. The resolution shall be published for four successive weeks in the official newspaper of the governmental subdivision or if there is no official newspaper, in a newspaper of general circulation therein, together with a notice fixing a date for a public hearing on the proposed increase which hearing shall be held not less than four weeks nor more than six weeks after the first publication of the resolution. Following the public hearing, the governing body may determine to take no further action, or in the alternative, adopt a resolution authorizing the levy as originally proposed, or adopt a resolution approving a levy in such lesser amount as it so determines. The resolution shall be published in the official newspaper of the governmental subdivision or if there is no official newspaper, in a newspaper of general circulation therein. If within 30 days thereafter, a petition signed by voters equal in number to five percent of the votes cast in the governmental subdivision in the last general election or 2,000 voters, whichever is less, requesting a referendum on the proposed resolution is filed with the clerk or recorder of the governmental subdivision if the governmental subdivision is a city or town, or with the county auditor if the governmental subdivision is a county, the resolution shall not be effective until it has been submitted to the voters at a general or special election and a majority of votes cast on the question of approving the resolution are in the affirmative. The commissioner of revenue shall prepare a suggested form of question to be presented at any such referendum. A levy increased pursuant to this subdivision, whether or not challenged or approved at a referendum held at a special or general election held prior to October 1 in any levy year, increases the allowable levy in that same levy year and provides a permanent adjustment to the levy limit base of the governmental subdivision for future levy years. There shall be no reduction in distributions of formula aids to the governmental subdivision as a result of the additional levy.

Sec. 7. [REPEALER.] Minnesota Statutes 1976, Section 275.51, Subdivisions 3b and 3c are repealed.

Sec. 8. Section 6 is effective the day following final enactment.

ARTICLE VI

Section 1. Minnesota Statutes 1976, Section 275.53, Subdivision 1, is amended to read:

275.53 [GOVERNING CENSUS.] Subdivision 1. For the purpose of determining the amount of tax that a governmental subdivision may levy in accordance with a per capita limitation established by this chapter or the amount of aid that a city or township may receive pursuant to section 477A.01, the population of the governmental subdivision shall be that established by the last state or federal census, or by a special census taken within the entire governmental subdivision pursuant to sections 275.50 to 275.56 or to any other law, by a census taken pursuant to subdivision 2, or by a population estimate made by the metropolitan council, by an order of the Minnesota municipal board pursuant

to section 414.01, subdivision 14, or by an estimate made pursuant to subdivision 3, whichever is the most recent as to the stated date of count or estimate, up to and including October 1 of the current levy year. Population changes established after October 1 of the current levy year shall not be used in determining the levy limitation of a governmental subdivision for the current levy year under sections 275.50 to 275.56.

Sec. 2. Minnesota Statutes 1976, Section 275.53, Subdivision 3, is amended to read:

Subd. 3. (a) In lieu of passing a resolution pursuant to subdivision 2, the governing body of a governmental subdivision may pass by June 1 of any year a resolution containing an estimate of the current population of the subdivision. The resolution shall describe the criteria upon which the estimate is based, and shall state that the estimate is made for purposes of increasing that subdivision's tax levy pursuant to sections 275.50 to 275.56 or local government aids pursuant to section 477A.01. The resolution shall be in the form and accompanied by the data required by the state planning agency.

(b) The resolution shall then be submitted to the state planning agency. The agency shall determine, and inform the subdivision in writing within 30 days of receipt of the resolution, whether the criteria and process described therein do or do not provide a reasonable basis for the population estimate. The estimate prepared by the subdivision shall be reviewed by the state planning agency with reference to county population estimates prepared by the state demographer. The state demographer's county population estimates will be used as a county control.

(c) If the agency determines that the criteria and process used by the subdivision do not provide a reasonable basis for the population estimate, the resolution shall be of no effect. If the agency determines that the criteria do provide a reasonable basis for the population estimate, the resolution shall be published at least once in a legal newspaper of general circulation in said subdivision. Said estimate may be used for computing the amount of ad valorem taxes the subdivision may levy, unless within 30 days following the publication of the resolution, 10 percent or more of the registered voters of the subdivision, or if the subdivision does not require voter registration, then 10 percent or more of its voters, who voted at the subdivision's last election, sign a petition demanding a special census, and submit the petition to the governing body of the subdivision.

(d) Attached to the petition shall be an affidavit executed by the circulator or circulators thereof, stating that he or they personally circulated the petition, the number of signatures thereon, that all signatures were affixed in his or their presence and that he or they believe them to be genuine signatures of the persons whose names they purport to be. Each signature need not be notarized.

(e) Upon the receipt of a petition conforming to this sub-

division, the governing body shall pass a resolution requesting the secretary of state to take a special census of the governmental subdivision. The census shall be taken and financed pursuant to the provisions of subdivision 2. Any population estimate made by the governing body of any governmental subdivision shall be superseded by any subsequent state or federal census taken pursuant to sections 275.50 to 275.56 or any other law, or by a population estimate made by the metropolitan council or the state demographer. The governing body of a governmental subdivision may not avail itself of the provisions of this subdivision during any year for which any state or federal census has been taken or for which the metropolitan council has made a population estimate of the subdivision.

Sec. 3. Minnesota Statutes 1976, Section 275.59, is amended to read:

275.59 [GOVERNMENTAL SUBDIVISIONS UNDER 2,500 POPULATION; EXEMPTION FROM LEVY LIMITS.] Commencing with levy year 1975 and thereafter, taxes payable in 1976 and thereafter, the provisions of sections 275.50 to 275.52 and 275.54 to 275.56 shall not apply to any city, statutory city or town with statutory city powers whose population according to the latest state or federal census is under 2,500.

Sec. 4. Minnesota Statutes 1976, Section 477A.01, Subdivision 1, is amended to read:

477A.01 [LOCAL GOVERNMENT AID.] Subdivision 1. The state shall distribute ~~\$42~~ \$52 for each person residing in the territory comprising each county for the calendar year 1976 1978 and ~~\$45~~ \$59 for calendar year 1977 1979 to the several taxing authorities, except school districts, with authority to impose taxes on property located in the county's territory. *For purposes of this subdivision the number of persons residing in a county shall be the 1970 federal census population.* For the purposes of subdivisions 1, 3, 4, 4a and 4b, the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, *excluding the city of New Prague*, and Washington shall be considered a single county. *That portion of the city of New Prague which is in Scott county shall be treated as if it is in Le Sueur county.*

Sec. 5. Minnesota Statutes 1976, Section 477A.01, Subdivision 2, is amended to read:

Subd. 2. Every county government except that of a county containing a city of the first class shall receive a distribution equal to the distribution it was entitled to receive in ~~1975~~ *the preceding year* pursuant to Minnesota Statutes 1974, Section 477A.01.

Sec. 6. Minnesota Statutes 1976, Section 477A.01, Subdivision 4, is amended to read:

Subd. 4. The balance of the distributions in ~~1976~~ 1978 pursuant to subdivision 1, shall be divided among the several cities and towns in the county's territory in the proportion that the product of

the city or town's 1970 federal census population *or the average of the city's or town's 1970 federal census population and its current population as determined under the provisions of section 275.53, whichever is greater*; times

(a) *In the case of a city or town outside the metropolitan area as defined in section 473.121, subdivision 2, or a city other than a city of the first class or town inside the metropolitan area, the sum of its average city or town mill rate for the three immediately preceding years divided by three; or*

(b) *In the case of a first class city located within the metropolitan area, the sum of (i) 60 percent of the dollar amount of its levy limitation and its special levies plus (ii) 40 percent of the dollar amount of its actual levy, divided by its taxable value adjusted for the contributions and distribution required by chapter 473F, for each of the three immediately preceding years divided by three, times*

its city or town ~~1974~~ 1976 aggregate sales ratio as determined by the commissioner of revenue bears to the sum of the product of that calculation for all cities and towns in the territory.

Sec. 7. Minnesota Statutes 1976, Section 477A.01, Subdivision 4a, is amended to read:

Subd. 4a. If the amount distributed to a city or town pursuant to subdivision 4 is less than the aids the city or town ~~received~~ *was entitled to receive in 1975 the preceding year*, before corrections for prior year aid payments, pursuant to Minnesota Statutes 1974, Section 477A.01, the amount distributed to it shall be raised to the amount the city or town ~~received~~ *was entitled to receive in 1975 the preceding year*, before corrections for prior year aid payments, and the distributions to the other cities and towns within the county's territory shall be proportionately reduced as necessary to supply the difference.

Sec. 8. Minnesota Statutes 1976, Section 477A.01, Subdivision 4b, is amended to read:

Subd. 4b. The commissioner of revenue shall make all necessary calculations and make payments directly to the affected taxing authorities in four equal parts *installments* on March 15, July 15, September 15, and November 15 in 1976 and 1977 *annually*.

Sec. 9. Minnesota Statutes 1976, Section 477A.01, is amended by adding a subdivision to read:

Subd. 4c. For the purpose of the distributions based on populations provided in subdivisions 1 and 4, cities and towns having boundary changes resulting from Minnesota municipal board orders shall have their population counts modified to reflect such changes. The modified population counts shall be included in all Minnesota municipal board orders, a copy of which shall be forwarded to the commissioner of revenue.

Sec. 10. Minnesota Statutes 1976, Section 477A.01, is amended by adding a subdivision to read:

Subd. 4c. A taxing authority may object to the commissioner of revenue with respect to the amount of the distribution which it has been certified to receive pursuant to subdivision 4b. No objection raised after July 1, 1977 shall be raised later than 60 days after the taxing authority has received notice from the commissioner of the amount which it has been certified to receive.

Sec. 11. Minnesota Statutes 1976, Section 477A.01, is amended by adding a subdivision to read:

Subd. 4d. If, due to an error in the factors used to calculate a taxing authority's aid pursuant to subdivision 4, the amount indicated in the certification of the commissioner to the taxing authority for a year is less than the amount to which it is entitled pursuant to this section, the commissioner of revenue shall additionally distribute the amount necessary to make the full correct distribution to the taxing authority. The additional distribution shall be paid from the general fund and shall not diminish the distributions made to other taxing authorities under this section.

Sec. 12. Minnesota Statutes 1976, Section 477A.03, is amended to read:

477A.03 [APPROPRIATION.] A sum sufficient to discharge the duties imposed by ~~Laws 1975, Chapter 437, Article 3, sections 4 and 11~~ is annually appropriated from the general fund to the commissioner of revenue.

Sec. 13. Minnesota Statutes 1976, Chapter 477A, is amended by adding a section to read:

[477A.04] [ASSESSMENT DISPERSION PENALTY.] *Subdivision 1. To encourage the proper assessment of property an assessment dispersion penalty shall be imposed on assessment districts as provided in subdivision 2. Each city or town which employs a local assessor, either singly or jointly with other cities or towns, shall be considered an assessment district for purposes of this section. Any two or more cities or towns which enter into an agreement pursuant to Minnesota Statutes, Section 471.59, for*

the assessment of property in the contracting units, shall for purposes of this section be a single assessment district. The balance of each county, including any city or town which contracts with the county for assessment of property therein, shall be deemed a single assessment district for purposes of this section.

The coefficient of dispersion shall be determined by the equalization aid review committee of the department of revenue. The coefficient of dispersion shall be determined on the assessor's market value before the limitation provided in Minnesota Statutes, Section 273.11, Subdivision 2. The population shall be the number of persons residing in the assessment district according to the 1970 federal census.

Subd. 2. Beginning in calendar year 1980 and subsequent years, an assessment district shall be penalized according to the following schedule:

(a) \$1 per capita if the coefficient of dispersion in assessments for the preceding year is more than 10 percent but less than 12.5 percent;

(b) \$3 per capita if the coefficient of dispersion in assessments for the preceding year is at least 12.5 percent but no more than 15 percent;

(c) \$5 per capita if the coefficient of dispersion in assessments for the preceding year is greater than 15 percent.

Subd. 3. The amount of penalty resulting from this section shall be deducted from the local government aid payments provided in section 477A.01.

Sec. 14. [EFFECTIVE DATE.] Section 10 is effective for objections to certifications made after June 1, 1977. Section 11 is effective for adjustments made after April 1, 1977. Section 13 is effective the day following final enactment.

ARTICLE VII

Section 1. Minnesota Statutes 1976, Chapter 290, is amended by adding a section to read:

[290.067] [DEPENDENT CARE CREDIT.] Subdivision 1. [AMOUNT OF CREDIT.] A taxpayer may take as a credit against the tax due from him and his spouse, if any, under chapter 290 an amount equal to 50 percent of the dependent care credit for which he is eligible pursuant to the provisions of section 44A of the Internal Revenue Code of 1954, as amended through

December 31, 1976, subject to the limitations provided in subdivision 2.

Subd. 2. [LIMITATIONS.] *The credit for expenses incurred for the care of 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 a taxable year. The total credit shall be reduced by five percent of the amount by which the combined federal adjusted gross income of the claimant and his spouse, if any, exceeds \$12,000. A married claimant shall file his income tax return for the year for which he claims the credit either jointly or separately on one form with his spouse. In the case of a married claimant only one spouse may claim the credit. No expense for which a medical expense deduction is claimed pursuant to section 290.09, subdivision 10, shall be claimed as a dependent care expense.*

Subd. 3. [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. 4. [RIGHT TO FILE CLAIM.] *The right to file a claim under this section shall be personal to the claimant and shall not survive his death, but such right may be exercised on behalf of a claimant by his legal guardian or attorney-in-fact. When a claimant dies after having filed a timely claim the amount thereof shall be disbursed to another member of the household as determined by the commissioner of revenue. If the claimant was the only member of his household, the claim may be paid to his personal representative, but if neither is appointed and qualified within two years of the filing of the claim, the amount of the claim shall escheat to the state.*

Sec. 2. [APPROPRIATION.] *A sum sufficient to pay the claims for credit to be given pursuant to section 1 shall be appropriated annually to the commissioner of revenue from the general fund in the state treasury.*

Sec. 3. [REPEALER.] *Minnesota Statutes 1976, Section 290.09, Subdivision 26, is repealed.*

Sec. 4. [EFFECTIVE DATE.] *This article is effective for taxable years beginning after December 31, 1976.*

ARTICLE VIII

Section 1. Minnesota Statutes 1976, Chapter 3, is amended by adding a section to read:

[3.86] [TAX STUDY COMMISSION.] *Subdivision 1. [CREATION; PURPOSE.] A tax study commission is hereby created to examine the total tax structure and the revenue needs and the sources of revenue of this state and its political subdivisions.*

Subd. 2. [DUTIES.] *Together with its examination of the existing tax system, the commission shall:*

(a) study and make recommendations regarding long range tax policy;

(b) analyze proposed tax legislation, with particular reference to analysis of revenue and distribution impact, local government financing and adherence to sound tax policy, and report its findings to the legislature; and

(c) file a report at least biennially with the legislature.

Subd. 3. [MEMBERSHIP.] The commission shall consist of seven members of the senate, including the chairman of the committee on taxes and tax laws, to be appointed by the committee on committees and seven members of the house of representatives, including the chairman of the committee on taxes, to be appointed by the speaker. Each of these people shall be a member of the commission only while that person is a member of the body from which that person was appointed. The first members of this commission shall be selected to serve for a term expiring on January 15 of the next biennial session of the legislature and until their successors are appointed. Subsequent members of the commission shall be appointed at the commencement of each biennial session of the legislature for a two year term beginning on January 16 of that year. Vacancies shall be filled in the same manner as the original appointment.

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 the times and places it may designate. It shall select a chairman, a vice chairman and other officers from its membership as it deems necessary.

Subd. 5. [STAFF.] The commission may employ the professional, clerical, and technical assistants it deems necessary in order to perform its duties.

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 the officer or agency shall promptly furnish any data requested to the extent permitted by law.

Subd. 7. [RECORDS AND INFORMATION OF PREVIOUS TAX STUDY COMMISSION.] The records, information and other material in the possession of the tax study commission created pursuant to Extra Session Laws 1971, Chapter 31, Article 13, Section 1, shall be conveyed to the tax study commission created pursuant to this section.

Subd. 8. [EXPENSES AND REIMBURSEMENT OF MEMBERS AND STAFF.] The members of the commission and its assistants shall be reimbursed for all expenses actually and necessarily incurred in the performance of their duties. Reimbursement shall be made pursuant to the rules governing legislators and legislative employees.

Subd. 9. [COMMISSION EXPENSES AND REPORTS.] Expenses of the commission shall be approved by the chairman or 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. A general summary or statement of expenses incurred by the commission and paid shall be made to the legislature by November 15 of each even numbered year.

Subd. 10. [APPROPRIATION.] There is hereby appropriated for the biennium ending June 30, 1979, from the general fund, the sum of \$250,000 to pay the expenses incurred by the commission.

Sec. 2. [EFFECTIVE DATE.] This article is effective July 1, 1977.

ARTICLE IX

Section 1. Minnesota Statutes 1976, Chapter 298, is amended by adding a section to read:

[298.045] [DECLARATION OF ESTIMATED OCCUPATION TAX.] *Subdivision 1. [REQUIREMENTS OF DECLARATION.] Every person subject to the taxes imposed by sections 298.01 to 298.21 shall file with the commissioner of revenue a declaration of estimated tax for the calendar year based on the estimate of the mining and production of ores that will occur in that year. In making the declaration, each person shall aggregate total production from all of that person's natural ore mines located in Minnesota. The declaration shall contain any pertinent information the commissioner of revenue may by rule or form prescribe.*

Subd. 2. [FILING REQUIREMENT FOR DECLARATION.] The declaration of estimated tax for that year shall be filed on March 15 of that year, except that the declaration for 1977 shall be filed in accordance with subdivision 3.

Subd. 3. [TIME FOR FILING DECLARATIONS FOR 1977.] The declaration of estimated tax required by this section for 1977 shall be filed on or before July 15, 1977. The amount of the estimated tax shall be paid in four equal installments on the following dates: July 15, September 15, and December 15, of 1977, and March 15, 1978.

Subd. 4. [EXTENSION OF TIME FOR FILING DECLARATIONS.] The commissioner may grant a reasonable extension of time for filing the declaration required by this section. No extension shall be for more than six months.

Subd. 5. [AMENDMENT.] An amendment of a declaration may be filed in any interval between installment dates prescribed for the year, but only one amendment may be filed in an interval.

Sec. 2. Minnesota Statutes 1976, Chapter 298, is amended by adding a section to read:

[298.046] [INSTALLMENT PAYMENTS OF ESTIMATED OCCUPATION TAX.] *Subdivision 1. [AMOUNT AND TIME*

FOR PAYMENT OF EACH INSTALLMENT.] *The amount of estimated tax with respect to which a declaration is required shall be paid in four equal installments on the 15th day of March, June, September, and December of the calendar year for which the declaration is required.*

Subd. 2. [AMENDMENT OF DECLARATION.] *If an amendment of a declaration is filed, the amount of any remaining installments shall be the amount which would have been payable if the new estimate had been made when the first estimate for the calendar year was made, increased or decreased by any amount computed by dividing:*

(a) *the difference between (i) the amount of estimated tax required to be paid before the date on which the amendment is made, and (ii) the amount of estimated tax which would have been required to be paid before that date if the new estimate had been made when the first estimate was made, by*

(b) *the number of installments remaining to be paid on or after the date on which the amendment is made.*

Subd. 3. [INSTALLMENTS PAID IN ADVANCE.] *At the election of the taxpayer, an installment of the estimated tax may be paid before the date prescribed for its payment.*

Sec. 3. Minnesota Statutes 1976, Chapter 298, is amended by adding a section to read:

[298.047] [FAILURE TO PAY ESTIMATED OCCUPATION TAX.] **Subdivision 1. [ADDITION TO THE TAX.]** *In the case of an underpayment of estimated tax by a taxpayer, except as provided in subdivision 4, there shall be added to the estimated tax for the calendar year a penalty of ten percent and interest at the rate specified in section 270.75 upon the amount of the underpayment determined under subdivision 2 for the period of the underpayment determined under subdivision 3.*

Subd. 2. [AMOUNT OF UNDERPAYMENT.] *For purposes of subdivision 1, the amount of the underpayment shall be the excess of:*

(a) *the amount of the installment that was due, over*

(b) *the amount, if any, of the installment paid on or before the last date prescribed for payment.*

Subd. 3. [PERIOD OF UNDERPAYMENT.] *The period of the underpayment shall run from the date the installment was required to be paid to whichever of the following dates is the earlier:*

(a) *March 1 of the following calendar year; or*

(b) *with respect to any portion of the underpayment, the date on which the portion is paid. For purposes of this paragraph, a payment of estimated tax on an installment date shall be considered a payment of a previous underpayment only to the extent the payment exceeds the amount of the installment for that installment date.*

Subd. 4. [EXCEPTION.] Notwithstanding the provisions of subdivisions 1 to 3, penalty and interest with respect to an underpayment of an installment shall not be imposed if the total amount of all payments of estimated tax made on or before the last date prescribed for the payment of the installment equals or exceeds the amount which would have been required to be paid on or before that date if the estimated tax were the lesser of:

(a) (i) in the case of a person subject to the tax imposed by section 298.01, subdivision 2, the tax as finally determined by the commissioner for the preceding calendar year if a tax liability existed for preceding calendar year; or

(ii) in the case of a person subject to the tax imposed by section 298.01, subdivision 1, the tax shown on the aggregate returns of the taxpayer or a predecessor company for the preceding calendar year reduced by \$100,000, if a return was filed by the taxpayer for the preceding calendar year; or

(iii) in the case of a person subject to the tax imposed by section 298.01, subdivision 1, if that person or its predecessor company had a tax liability of less than \$100,000 in the preceding calendar year, its anticipated tax payment on its aggregate returns reduced by \$100,000; or

(b) an amount equal to the tax computed at the rates applicable to the calendar year but otherwise on the basis of the facts shown on the report of the taxpayer for, and the law applicable to, the preceding calendar year.

Subd. 5. [FAILURE TO FILE AN ESTIMATE.] In the case of a taxpayer who fails to file a declaration of estimated tax for a calendar year when one is required, the period of the underpayment shall run from the four installment dates as set forth in section 2, subdivision 1, to whichever of the periods set forth in subdivision 3, clauses (a) and (b), is the earlier.

Sec. 4. Minnesota Statutes 1976, Chapter 298, is amended by adding a section to read:

[298.048] [OVERPAYMENT OF ESTIMATED TAX.] Where the amount of an installment payment of estimated tax exceeds the amount determined to be the correct amount of the installment payment, the overpayment shall be credited against any unpaid installments. Where the total amount of the estimated tax payments and other payments, if any, exceeds by \$1 or more the taxes and any added penalties and interest as finally determined by the commissioner, the commissioner shall make and file an order determining the amount of the overpayment and credit it against occupation taxes otherwise payable by the person who has overpaid the amount so determined.

Sec. 5. [EFFECTIVE DATE.] *This article is effective for any ores mined or produced in any year beginning after December 31, 1976.*

ARTICLE X

Section 1. Minnesota Statutes 1976, Section 273.02, Subdivision 4, is amended to read:

Subd. 4. [IRON ORE.] Newly discovered iron ore shall be entered on the assessment books for the six years immediately preceding the year of discovery and taxed as omitted property. The tax on such omitted property shall be determined by applying the rates of levy for the respective years in which the property was omitted. This subdivision shall not apply to any iron ore discovered in the course of mining operations, which has not been known to exist by drillings or operations in previous years, provided that the company that would otherwise be taxed therefor is not a company that would be disqualified from receiving discount credits pursuant to section 298.021, subdivision 3.

Sec. 2. Minnesota Statutes 1976, Section 273.134, is amended to read:

273.134 [TACONITE AND IRON ORE AREAS; TAX RELIEF AREA; DEFINITIONS.] For purposes of this section and section 273.135, "municipality" means a *any city, however organized, or town*, and the applicable assessment date is the date as of which property is listed and assessed for the tax in question.

For the purposes of section 273.135 "tax relief area" means the geographic area contained, within the boundaries of a school district which contains a municipality which meets the following qualifications:

(1) it is a municipality in which the assessed valuation of unmined iron ore on May 1, 1941, was not less than 40 percent of the assessed valuation of all real property and in which, as of the applicable assessment date, the assessed valuation of unmined iron ore is not more than 60 percent of the assessed valuation of all real property; or

(2) it is a municipality in which, as of *on January 1, 1977* or the applicable assessment date, there is a taconite concentrating plant or where taconite is mined or quarried or where there is located an electric generating plant which qualifies as a taconite facility.

Sec. 3. Minnesota Statutes 1976, Section 273.135, Subdivision 1, is amended to read:

273.135 [HOMESTEAD PROPERTY TAX RELIEF.] Subdivision 1. The property tax to be paid in respect to property taxable within a tax relief area on class 3b property not exceeding *80 160* acres, on class 3c property, and on class 3cc property, as otherwise determined by law and regardless of the market value of the property, for all purposes shall be reduced in the amount prescribed by subdivision 2, subject to the limitations contained therein.

Sec. 4. Minnesota Statutes 1976, Section 273.135, Subdivision 2, is amended to read:

Subd. 2. The amount of the reduction authorized by subdivision 1 shall be

(a) in the case of property located within the boundaries of a

municipality which meets the qualifications prescribed in section 273.134, 69 66 percent of the amount of such tax, provided that the amount of said reduction shall not exceed \$350 *the maximum amount specified in clause (e)*.

(b) in the case of property located within the boundaries of a school district which qualifies as a tax relief area but which is outside the boundaries of a municipality which meets the qualifications prescribed in section 273.134, 52 57 percent of the amount of such tax, provided that the amount of said reduction shall not exceed \$300 *the maximum amount specified in clause (e)*.

(c) in the case of property located within a school district which does not meet the qualifications of section 273.134 as a tax relief area, but which is located in a county with a population of less than 100,000 in which taconite is mined or quarried and wherein a school district is located which does meet the qualifications of a tax relief area, and provided that at least 90 percent of the area of the school district which does not meet the qualifications of section 273.134 lies within such county, 52 57 percent of the amount of the tax on qualified property located in the school district that does not meet the qualifications of section 273.134, provided that the amount of said reduction shall not exceed \$300 *the maximum amount specified in clause (e)*. The reduction provided by this clause shall only be applicable to property located within the boundaries of the county described therein.

(d) in the case of property located within a school district which does not meet the qualifications of section 273.134 as a tax relief area, but which is located in a school district in a county containing a city of the first class and a qualifying municipality, but not in a school district containing a city of the first class or adjacent to a school district containing a city of the first class unless the school district so adjacent contains a qualifying municipality, 57 percent of the amount of the tax, but not to exceed the maximum specified in clause (e).

(e) The maximum reduction for property described in clause (a) shall be \$385 and for property described in clauses (b), (c) and (d), \$330 for taxes payable in 1978. These maximum amounts shall increase by \$15 per year for taxes payable in 1979 and subsequent years.

Sec. 5. Minnesota Statutes 1976, Section 294.26, is amended to read:

294.26 [DIVISION OF PROCEEDS OF TAX.] The proceeds of the taxes collected under sections 294.21 to 294.27 shall be distributed in accordance with the determination made by the commissioner of revenue, to deposited in the general fund of the state and to the various taxing districts in which such railway operations are conducted, in the following proportions: 22 percent thereof to the city or town; 50 percent thereof to the school district; 22 percent thereof to the county; six percent thereof to the state. If such railroad operation, or different steps therein, are carried on in more than one taxing district, the commissioner

shall apportion equitably the proceeds of the part of the tax going to cities or towns among such subdivisions, and the part going to school districts among such districts, and the part going to counties among such counties, upon the basis of attributing 40 percent of the proceeds of the tax to the terminal facilities at each end of the railway line of a taconite railroad company, and the remaining 20 percent thereof to the railway trackage connecting such terminals, and with respect to each such portion giving due consideration to the relative extent of such portion of the operation performed in each such taxing district. If any part of such facilities are located outside the limits of any organized city or town, 70 percent of the portion of the tax which would be distributed to any such governmental unit, if it existed and the facilities were located therein, shall be added to the portion distributed to the school district, and 30 percent thereof shall be added to the portion distributed to the county in which such facilities are located; also, if the amount otherwise distributable to any city or town hereunder would exceed \$75 per capita of the population thereof, the amount of such excess shall be added to the portions distributed to the school district and county in which such facilities are located in the proportions above set forth. The commissioner's order making such apportionment shall be subject to review by the tax court of appeals at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner. The amount so distributed shall be divided among the various funds of the taxing district in the same proportion as the general ad valorem property tax thereof.

There is hereby appropriated to such persons, city, town, school district, or county as are entitled to such payment, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment authorized herein. The commissioner of revenue shall make such payments on March 15 and September 15 annually.

Sec. 6. Minnesota Statutes 1976, Chapter 298, is amended by adding a section to read:

[298.012] [DEFINITION OF CITY.] *For purposes of chapter 298, the word "city" includes any home rule charter city, statutory city, or any city however organized.*

Sec. 7. Minnesota Statutes 1976, Section 298.03, is amended to read:

298.03 [VALUE OF ORE; HOW ASCERTAINED.] The valuation of iron or other ores for the purposes of determining the amount of tax to be paid under the provisions of section 298.01 shall be ascertained by subtracting from the value of such ore, at the place where the same is brought to the surface of the earth, such value to be determined by the commissioner of revenue:

(1) The reasonable cost of supplies used and labor performed at the mine in separating the ore from the ore body, including

hoisting, elevating, or conveying the same to the surface of the earth;

(2) If the ore is taken from an open pit mine, an amount for each ton of ore mined or produced during the year equal to the cost of removing the overburden, divided by the number of tons of ore uncovered, the number of tons of ore uncovered in each case to be determined by the commissioner of revenue;

(3) If the ore is taken from an underground mine, an amount for each ton of ore mined or produced during the year equal to the cost of sinking and constructing shafts and running drifts, divided by the number of tons of ore that can be advantageously taken out through such shafts and drifts, the number of tons of ore that can be advantageously taken out in each case to be determined by the commissioner of revenue;

(4) The amount of royalties paid on the ore mined or produced during the year;

(5) A percentage of the ad valorem taxes levied for such year against the realty in which the ore is deposited equal to the percentage that the tons mined or produced during such year bears to the total tonnage in the mine;

(6) In the case of taconite, semi-taconite and iron sulphide operations, the tax payable under ~~sections~~ *section 298.24 and , but not exceeding 25 cents per taxable ton, and that payable under section 298.35,* on the concentrates produced in said year and any taxes paid under Laws 1955, Chapters 391, 429, 514, 576 or 540, or any other law imposing on such taconite operations a specific tax for school or other governmental purposes;

(7) The amount or amounts of all the foregoing subtractions shall be ascertained and determined by the commissioner of revenue. Deductions for interest on plant investment shall not exceed the greater of (a) four percent of book value, or (b) the amount actually paid but not exceeding six percent of book value. No subtraction shall be allowed for shrinkage of iron ore ; ~~except that which can be measured in a manner determined by the commissioner of revenue. In no case shall the shrinkage subtraction exceed one-fourth of one percent of the value of the ore .~~

Sec. 8. Minnesota Statutes 1976, Section 298.22, Subdivision 1, is amended to read:

298.22 [IRON RANGE RESOURCES AND REHABILITATION.] Subdivision 1. ~~On and after July 1, 1959, 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.~~ 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. The salary of the commissioner, who shall be in the 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 298.28, subdivision 1.

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 298.28, subdivision 1 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. 9. Minnesota Statutes 1976, Section 298.22, Subdivision 2, is amended to read:

Subd. 2. There is hereby created the iron range resources and rehabilitation board, consisting of seven eleven members, three five of whom shall be state senators appointed by the committee on subcommittee on committees of the rules committee of the senate, and three five 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 eleventh member of said board shall be the commissioner of natural resources of the state of Minnesota. Vacancies on the board shall be filled in the same manner as the original members were chosen. All expenditures and projects made by the commissioner of iron range resources and rehabilitation shall first be submitted to said iron range resources and rehabilitation board which shall recommend approval or disapproval or modification of 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 board. The board shall biennially make its report to the governor and the legislature on or before

November 15 or each even numbered year. The expenses of said board shall be paid by the state of Minnesota from the funds raised pursuant to this section.

Sec. 10. Minnesota Statutes 1976, Section 298.24, Subdivision 1, is amended to read:

298.24 [TAX ON TACONITE AND IRON SULPHIDES.] Subdivision 1. (a) There is hereby imposed upon taconite and iron sulphides, and upon the mining and quarrying thereof, and upon the production of iron ore concentrate therefrom, and upon the concentrate so produced, a tax of ~~11.5 cents~~ \$1.25 per gross ton of merchantable iron ore concentrate as produced therefrom, ~~plus one-tenth of one cent~~. *The tax on concentrates produced in 1978 and subsequent years shall be equal to \$1.25 multiplied by the steel mill products index during the production year, divided by the steel mill products index in 1977. The index stated in code number 1013, or any subsequent equivalent, as published by the United States Department of Labor, Bureau of Labor Statistics Wholesale Prices and Price Indexes for the month of January of the year in which the concentrate is produced shall be the index used in calculating the tax imposed herein. In no event shall the tax be less than \$1.25 per gross ton of merchantable iron ore concentrate.*

(b) *An additional tax is hereby imposed equal to 1.6 percent of the total tax imposed by clause (a) per gross ton for each one percent that the iron content of such product exceeds 55 62 percent, when dried at 212 degrees Fahrenheit.*

(c) *The tax imposed by this subdivision shall be computed on the production for the current year or the average of the production for the current year and the previous two years, whichever is higher. This clause shall not apply in the case of the closing of a taconite facility if the property taxes on the facility would be higher if this clause and section 298.25 were not applicable.*

(d) *If the tax or any part of the tax imposed by this subdivision is held to be unconstitutional, a tax of \$1.25 per gross ton of merchantable iron ore concentrate produced shall be imposed.*

Sec. 11. Minnesota Statutes 1976, Section 298.24, Subdivision 2, is amended to read:

Subd. 2. *If the index of Wholesale Prices for All Commodities prepared for the Joint Economic Committee by the Council of Economic Advisers and distributed by the Superintendent of Documents, Government Printing Office, as of January of any year shall be above 110, using the average for the years 1957-1959 as the base of 100, the amount of the tax prescribed by subdivision 1 for such year shall be increased by one-tenth of one cent per gross ton for each point increase in said index above 110. For all purposes of this computation, a fractional point increase shall be disregarded if less than one half point and treated as one full point, if one half point or more. There is hereby imposed upon taconite and iron sulphides, and upon the mining and*

quarrying thereof, and upon the production of iron ore concentrate therefrom, and upon the tailings so produced an additional tax of 10 cents per 2,000 pounds of tailings produced. For the purposes of this subdivision tailings mean the solid and liquid waste materials resulting from the beneficiation process.

The tax imposed by this subdivision shall only apply to those tailings from a taconite facility which are not deposited on land in accordance with permits issued by the pollution control agency and the department of natural resources.

The proceeds of the tax imposed by this subdivision shall be deposited in the general fund of the state.

Sec. 12. Minnesota Statutes 1976, Section 298.244, Subdivision 2, is amended to read:

Subd. 2. (a) For the purposes of this subdivision, the following terms shall have the meanings given them.

(1) "Agency" means the state board of health.

(2) "Municipality" means any city or any other governmental subdivision having the power or duty to provide drinking water and using Lake Superior as the source of the drinking water.

(3) "Eligible cost" includes all costs incurred by a municipality including acquisition of necessary real and personal property, engineering, system cleaning, construction, alteration, improvements, inspection, supervision of construction and all other costs related to the construction and establishment of a permanent water filtration or purification system. Such costs shall be eligible even if incurred prior to June 7, 1975.

(4) "Municipal water purification system" includes all properties, real or personal, determined by a municipality and the state to be necessary for the elimination of polluting or potentially injurious substances from water used for municipal water supply purposes.

(b) There is hereby appropriated from the general fund to the state board of health the sum of \$2,500,000 and an additional amount of \$1,750,000 for a grant program for the construction of water filtration and purification systems for those communities using Lake Superior as a drinking water source. The board of health shall establish a grant program to implement the provisions of this subdivision. This program shall include the disbursement of funds hereinafter described for the construction of the facilities, the creation of guidelines designed to assure that the funds will be disbursed in accord with the purposes of this subdivision, the continued surveillance of the effectiveness of constructed facilities in cooperation with other related state agencies, and other duties of administration necessary to accomplish the purpose of this subdivision. Grants shall be made in accordance with the guidelines created under authority of this subdivision and shall not exceed 33 percent of the eligible project cost.

(c) A Lake Superior water filtration and purification fund is

created as a separate bookkeeping account in the general books of account of the state, to record receipts of the proceeds of moneys appropriated to the fund and disbursements of money appropriated from the fund to municipalities for the acquisition and betterment of public land, buildings, and improvements of a capital nature needed for the construction of water filtration and purification systems, in accordance with the purpose of this subdivision. It is determined that state financial assistance for the construction of water filtration and purification facilities needed to fulfill the purposes of this subdivision is a public purpose and a proper function of state government.

(d) No recipient of financial assistance may receive more than 80 percent of the total amount of funds appropriated in this subdivision. Any recipient of financial assistance shall pursue its remedies under the permits granted to the discharges or subrogate to the state those remedies for purposes of obtaining reimbursement of the state funds expended for the purposes of this subdivision. The board of health shall at the time of any disbursement of funds under this subdivision enter into necessary agreements for reimbursement. Any amounts recovered pursuant to this subdivision shall be credited to and disbursed as provided in ~~subdivision 1, clause (1)~~ *section 298.28, subdivision 1, clause (4), part (a)*.

(e) Prior to July 1, 1977, \$2,500,000 of the proceeds of the tax collected under section 298.243 shall be paid to the general fund of the state treasury from those funds distributed to the counties, except from the portion distributed to Itasca county, pursuant to subdivision 1, clause (1).

(f) This subdivision of *Laws 1975, Chapter 437, Article XI, Section 2* is effective on June 7, 1975. The \$2,500,000 in funds appropriated pursuant to this subdivision are available as of July 1, 1975. *The additional amount of \$1,750,000 appropriated pursuant to this subdivision shall be available July 1, 1977.*

(g) *The additional \$1,750,000 appropriated by this subdivision shall be repaid to the general fund from proceeds of the tax imposed by section 11.*

Sec. 13. Minnesota Statutes 1976, Section 298.25, is amended to read:

298.25 [TAXES ADDITIONAL TO OTHER TAXES.] The taxes imposed under ~~sections section 298.24 and 298.241~~ shall be in addition to the occupation tax imposed upon the business of mining and producing iron ore and in addition to the royalty tax imposed upon royalties received for permission to mine and produce iron ore. Except as herein otherwise provided, such taxes shall be in lieu of all other taxes upon such taconite and iron sulphides, or the lands in which they are contained, or upon the mining or quarrying thereof, or the production of concentrate therefrom, or upon the concentrate produced, or upon the machinery, equipment, tools, supplies and buildings used in such mining, quarrying or production, or upon the lands occupied by, or used in

connection with, such mining, quarrying or production facilities. If electric or steam power for the mining, transportation or concentration of such taconite or the concentrates produced therefrom is generated in plants principally devoted to the generation of power for such purposes, the plants in which such power is generated and all machinery, equipment, tools, supplies, transmission and distribution lines used in the generation and distribution of such power, shall be considered to be machinery, equipment, tools, supplies and buildings used in the mining, quarrying or production of taconite and taconite concentrates within the meaning of this section. If part of the power generated in such a plant is used for purposes other than the mining or concentration of taconite or the transportation or loading of taconite or the concentrates thereof, a proportionate share of the value of such generating facilities, equal to the proportion that the power used for such other purpose bears to the generating capacity of the plant, shall be subject to the general property tax in the same manner as other property; provided, power generated in such a plant and exchanged for an equivalent amount of power which is used for the mining, transportation or concentration of such taconite or concentrates produced therefrom, shall be considered as used for such purposes within the meaning of this section. Nothing herein shall prevent the assessment and taxation of the surface of reserve land containing taconite and not occupied by such facilities or used in connection therewith at the value thereof without regard to the taconite or iron sulphides therein, nor the assessment and taxation of merchantable iron ore or other minerals, or iron-bearing materials other than taconite or iron sulphides in such lands in the manner provided by law, nor the assessment and taxation of facilities used in producing sulphur or sulphur products from iron sulphide concentrates, or in refining such sulphur products, under the general property tax laws. Nothing herein shall except from general taxation or from taxation as provided by other laws any property used for residential or townsite purposes, including utility services thereto.

Sec. 14. Minnesota Statutes 1976, Section 298.26, is amended to read:

298.26 [TAX ON UNMINED IRON ORE OR IRON SULPHIDES.] In any year in which at least 1,000 tons of iron ore concentrate is not produced from any 40-acre tract or governmental lot containing taconite or iron sulphides, a tax may be assessed upon the taconite or iron sulphides therein at the mill rate prevailing in the taxing district and spread against the assessed value of the taconite or iron sulphides, such assessed value to be determined in accordance with existing laws. The amount of the tax spread under authority of this section by reason of the taconite and iron sulphides in any tract of land shall not exceed \$1 \$10 per acre.

Sec. 15. Minnesota Statutes 1976, Section 298.27, is amended to read:

298.27 [COLLECTION AND PAYMENT OF TAX.] The taxes provided by sections *section 298.24 ; 298.241, and 298.243*

shall be collected and paid in the same manner as provided by law for the payment of the occupation tax, except that the report required by section 298.05 shall be filed on or before February 15 together with a remittance equal to 90 percent of the estimated tax required to be paid hereunder on or before April 15. On or before February 25, the commissioner of revenue shall make distribution of such estimated payment in the manner provided by ~~sections section 298.28 and 298.244~~. The commissioner of revenue shall determine the amount of tax due on or before March 15. The tax found to be due shall be paid on or before April 15 following the production year. Reports shall be made and hearings held upon the determination of the tax in accordance with procedures established by the commissioner of revenue. The commissioner of revenue shall have authority to make reasonable regulations as to the form and manner of filing reports necessary for the determination of the tax hereunder, and by such regulations may require the production of such information as may be reasonably necessary or convenient for the determination and apportionment of the tax. All the provisions of the occupation tax law with reference to the assessment, determination, and collection of the occupation tax, including all provisions for appeals from or review of the orders of the commissioner of revenue relative thereto, are hereby made applicable to the taxes imposed by ~~sections section 298.24, 298.241, and 298.243~~, except in so far as inconsistent herewith. If any person subject to ~~sections section 298.24, 298.241, and 298.243~~ shall fail to make the report provided for in this section at the time and in the manner herein provided, the commissioner of revenue shall in such case, upon such information as he may possess or obtain, ascertain the kind and amount of ore mined or produced and thereon find and determine the amount of the tax due from such person. There shall be added to the amount of tax due a penalty for failure to report on or before February 15, which penalty shall equal ten percent of the tax imposed and be treated as a part thereof.

If any person required to make an estimated tax payment at the time and in the manner herein provided, and fails to do so, there shall be imposed a penalty equal to ten percent of the amount so due, which penalty shall be treated as part of the tax due.

In the case of any underpayment of the estimated tax payment required herein, there may be added and be treated as part of the tax due a penalty equal to ten percent of the amount so underpaid.

If any portion of the tax taxes provided for in ~~sections section 298.24, 298.241, and 298.243~~ is not paid before the fifteenth day of April of the year in which due and payable, a penalty of ten percent of such unpaid portion shall immediately accrue, and thereafter one percent per month shall be added to such tax and penalty while such tax remains unpaid.

Sec. 16. Minnesota Statutes 1976, Section 298.28, Subdivision 1, is amended to read:

298.28 [DIVISION OF PROCEEDS.] Subdivision 1. The proceeds of the ~~tax~~ taxes collected under section 298.24, *except the tax collected under section 298.24, subdivision 2*, shall, upon certificate of the commissioner of revenue to the general fund of the state, be paid by the commissioner of revenue *as follows*:

(1) *2.5 cents per gross ton of merchantable iron ore concentrate, hereinafter referred to as "taxable ton", to the city or town to the various taxing districts in which the lands from which taconite was mined or quarried were located in the following manner and proportions: 11-1/2 percent thereof to the city or town; 27 percent thereof to the school district; 11-1/2 percent thereof to the county; three percent thereof to the state and 47 percent thereof, less any amount required to be distributed under subdivision 1a to the taconite property tax relief account in the apportionment fund in the state treasury or within which the concentrate was produced.* If the mining, quarrying, and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities and towns among such subdivisions as *provided above, and the part going to school districts among such districts, and the part going to counties among such counties*, upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the tax court of appeals at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner.

(2) *12.5 cents per taxable ton to the taconite municipal aid account in the apportionment fund of the state treasury, to be distributed as provided in section 298.282.*

(3) *29 cents per taxable ton to school districts to be distributed as follows:*

(a) *6 cents per taxable ton to the school districts in which the lands from which taconite was mined or quarried were located or within which the concentrate was produced. The commissioner shall follow the apportionment formula prescribed in clause (1).*

(b) *23 cents per taxable ton, less any amount distributed under part (c), shall be distributed to a group of school districts comprised of those school districts wherein the taconite was mined or quarried or the concentrate produced or in which there is a qualifying municipality as defined by section 273.134 or in which is located property which is entitled to the reduction of tax pursuant to section 273.135, subdivision 2, clause (c). The 23 cents, less any amount distributed under part (c), shall be distributed in direct proportion to school district tax levies as follows: each district shall receive that portion of the total distribution which its permitted levy for the prior year, computed pursuant to section 275.125, comprises of the sum of permitted levies for the prior year for all*

qualifying districts, computed pursuant to section 275.125. That portion of the amount so distributed to a school district which is not deducted from state aids in section 124.212, subdivision 8a, shall be included in computing the permissible levies under section 275.125. For purposes of distributions pursuant to this part, permitted levies for the prior year computed pursuant to section 275.125 shall not include the amount of any increased levy authorized by referendum pursuant to section 275.125, subdivision 2a, clause (4).

(c) There shall be distributed to any school district the amount which the school district was entitled to receive under section 298.32 in 1975.

(4) 19.5 cents per taxable ton to counties to be distributed as follows:

(a) 15.5 cents per taxable ton shall be distributed to the county in which the taconite is mined or quarried or in which the concentrate is produced, less any amount which is to be distributed pursuant to part (b). The commissioner shall follow the apportionment formula prescribed in clause (1).

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, one cent per taxable ton of the tax distributed to the counties pursuant to part (a) and imposed on and collected from such taxpayer shall be distributed by the commissioner of revenue to the county in which the power plant is located.

(c) 4 cents per taxable ton shall be paid to the county from which the taconite was mined, quarried or concentrated to be deposited in the county road and bridge fund. If the mining, quarrying and concentrating, or separate steps in any of those processes are carried on in more than one county, the commissioner shall follow the apportionment formula prescribed in clause (1).

(5) (a) 25.75 cents per taxable ton, less any amount required to be distributed under part (b), to the taconite property tax relief account in the apportionment fund in the state treasury, to be distributed as provided in sections 273.134 to 273.136.

(b) If an electric power plant owned by and providing the primary source of power for a taxpayer mining and concentrating taconite is located in a county other than the county in which the mining and the concentrating processes are conducted, .75 cent per taxable ton of the tax imposed and collected from such taxpayer shall be distributed by the commissioner of revenue to the county and school district in which the power plant is located as follows: 25 percent to the county and 75 percent to the school district.

(6) 1 cent per taxable ton to the state.

(7) 3 cents per taxable ton shall be deposited in the state treasury to the credit of the iron range resources and rehabilitation

board account in the special revenue fund for the purposes of section 298.22. Of this amount, one cent per taxable ton is to be used to provide environmental development grants to local governments located within any county in region 3 as defined in governor's executive order number 60 issued on June 12, 1970, which does not contain a municipality qualifying pursuant to section 273.134.

(8) the amounts determined under clauses (4)(a), (4)(c), and (5) shall be increased in 1979 and subsequent years in the same proportion as the increase in the steel mill products index as provided in section 298.24, subdivision 1.

(9) the proceeds of the tax imposed by section 298.24 which remain after the distributions in clauses (1) to (8) and parts (a), (b), (c), and (d) of this clause have been made shall be divided between the taconite environmental protection fund created in section 20 and the northeast Minnesota economic protection fund created in section 26 as follows: In 1978, 1979, 1980, 1981, and 1982, two-thirds to the taconite environmental protection fund and one-third to the northeast Minnesota economic protection fund; in 1983 and thereafter, one-half to each fund. The proceeds shall be placed in the respective special accounts in the general fund.

(a) In 1978 and each year thereafter, there shall be distributed to each city, town, school district, and county the amount that they received under section 294.26 in calendar year 1977.

(b) In 1978 and each year thereafter, there shall be distributed to the iron range resources and rehabilitation board the amounts it received in 1977 under section 298.22.

(c) In 1978 and each year thereafter, \$50,000 shall be distributed to the department of revenue for auditing and enforcing the production tax imposed by this article.

(d) In 1978 and 1979, \$150,000 shall be distributed to the department of revenue for the purpose of administering section 29. In 1980 and each year thereafter, \$100,000 shall be distributed to the department of revenue. The amount so distributed shall be divided among the various funds of the state, or of the taxing districts in the same proportion as the general ad valorem tax thereof. If in any year the state shall not spread any general ad valorem tax levy against real property, the state's proportion of the tax shall be paid into the general fund. The amount distributed to any city and one-third in 1971 and that portion not deducted from state aids in section 124.212, subdivision 8, thereafter of the amount distributed to any school district under the provisions hereof shall be included in computing the permissible levies of such city or school district under sections 275.11 or 275.125, provided, in computing the deduction from permissible levies of cities by reason hereof effect shall be given to the cost of living adjustment allowed by section 275.11, subdivision 2, regardless of whether or not more than 25 percent of the assessed valuation consists of iron ore. On or before October 10 of each calendar year each producer of taconite or iron sulphides subject to taxation under section 298.24 (hereinafter called "taxpayer")

shall file with the commissioner of revenue and with the county auditor of each county in which such taxpayer operates, and with the chief clerical officer of each school district or, city or town which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable by such taxpayer under said law for such calendar year; provided such estimate shall be in an amount not less than the amount due on the mining and production of concentrates up to September 30 of said year plus the amount becoming due because of probable production between September 30 and December 31 of said year, less any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of such tax, and the amount of the estimated tax which would be distributable to each such district in such the next ensuing calendar year on the basis of the last percentage distribution certified by the commissioner of revenue. If there be no such prior certification, the taxpayer shall set forth its estimate of the proper distribution of such tax under the law, which estimate may be corrected by the commissioner if he deems it improper, notice of such correction being given by him to the taxpayer and the public officers receiving such estimate. The officers with whom such report is so filed shall use the amount so indicated as being distributable to each taxing district except in the case of school districts one-third in 1971 and that portion not deducted from state aids in section 124.212, subdivision 8, thereafter of the indicated amount is to be used in computing; pursuant to sections 275.11 or 275.125, the permissible tax levy of such county, city or school district in the year in which such estimate is made, and payable in the next ensuing calendar year, except that in 1978 and 1979 two cents per taxable ton, and in 1980 and thereafter, one cent per taxable ton of the amount distributed under clause (4) (c) shall not be deducted in calculating the permissible levy. Such taxpayer shall then pay, at the times payments are required to be made pursuant to section 298.27, as the amount of tax payable under section 298.24, the greater of (a) the amount shown by such estimate, or (b) the amount due under said section as finally determined by the commissioner of revenue pursuant to law. If, as a result of the payment of the amount of such estimate, the taxpayer has paid in any calendar year an amount of tax in excess of the amount due in such year under section 298.24, after application of credits for any excess payments made in previous years, all as determined by the commissioner of revenue, the taxpayer shall be given credit for such excess amount against any taxes which, under said section, may become due from the taxpayer in subsequent years. In any calendar year in which a general property tax levy subject to sections 275.11 275.50 to 275.59 or 275.125 has been made, if the taxes distributable to any such county, city or school district are greater than the amount estimated to be paid to any such county, city or school district in such year, the excess of such distribution shall be held in a special fund by the county, city or school district and shall not be expended until the succeeding calendar year, and shall be included in computing the permissible levies under sections 275.11 275.50 to 275.59 or 275.125, of such

county, city or school district payable in such year. If the amounts distributable to any such county, city or school district, after final determination by the commissioner of revenue under this section are less than the amounts indicated by such estimates, such county, city or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.11 275.50 to 275.59 or 275.125 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

There is hereby annually appropriated to such taxing districts as are stated herein and, to the taconite property tax relief account and to the taconite municipal aid account in the apportionment fund in the state treasury, to the department of revenue, to the iron range resources and rehabilitation board, to the taconite environmental protection fund, and to the north-east Minnesota economic protection fund, from any fund or account in the state treasury to which the money was credited, an amount sufficient to make the payment or transfer. The payment of the amount appropriated to such taxing districts shall be made by the commissioner of revenue on or before May 15 annually.

Sec. 17. Minnesota Statutes 1976, Section 298.282, Subdivision 1, is amended to read:

298.282 [DISTRIBUTION OF TACONITE MUNICIPAL AID ACCOUNT; TACONITE MUNICIPAL AID; PAYMENT.] Subdivision 1. The amount deposited to the credit of the taconite municipal aid account in the apportionment fund of the state treasury as provided in section 298.291, subdivision 4 298.28, subdivision 1, clause (2) shall be distributed as provided by this section, among the municipalities comprising a tax relief area under section 273.134, as amended hereby, each being herein referred to as a qualifying municipality.

Sec. 18. Minnesota Statutes 1976, Section 298.282, Subdivision 2, is amended to read:

Subd. 2. Each year commencing in 1977, and the following the final determination of the amount of taxes payable under section 298.241 298.24, 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. If the distribution under this section, sections 273.138, 298.26 and 298.28, and chapter 477A, to any municipality would exceed that municipality's permissible levy for the prior year, computed pursuant to

sections 275.50 to 275.59, the amount in excess of the permissible levy for the prior year shall reduce the amount distributed to the municipality under this section and this excess amount shall be distributed to the other qualifying municipalities on a per capita basis. 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. 20. [TACONITE AREA ENVIRONMENTAL PROTECTION FUND.] A fund called the taconite environmental protection fund is created for the purpose of reclaiming, restoring and enhancing those areas of northeast Minnesota adversely affected by the environmentally damaging operations involved in mining taconite and iron ore and producing iron ore concentrate and for the purpose of promoting the economic development of northeast Minnesota. The taconite environmental protection fund shall be used for the following purposes:

information including description of the projects, plans, and cost estimates as may be necessary. Upon recommendation of the Iron Range Resources and Rehabilitation Board, this list shall be submitted to the legislative advisory commission for its review. This list with the recommendation of the legislative ad-

(a) to initiate investigations into matters the Iron Range Resources and Rehabilitation Board determines are in need of study and which will determine the environmental problems requiring remedial action;

(b) reclamation, restoration or reforestation of minelands not otherwise provided for by state law;

(c) local economic development projects including construction of sewer and water systems, and other public works;

(d) monitoring of mineral industry related health problems among mining employees.

The taconite environmental protection fund shall be administered by the commissioner of the Iron Range Resources and Rehabilitation board. The commissioner shall by September 1 of each year prepare a list of projects to be funded from the taconite environmental protection fund, with such supporting the taconite environmental protection fund act of 1977.

Sec. 19. [CITATION.] Sections 19 to 24 shall be known as vitory commission shall then be transmitted to the governor by November 1 of each year. By December 1 of each year, the governor shall approve or disapprove, or return for further consideration, each individual project. Funds for a project may be expended only upon approval of the project by the governor.

Notwithstanding the above, in 1977 the commissioner, with the recommendation of the board, shall submit a list of projects to the legislative advisory commission by June 15. This list shall by July 1 be transmitted to the governor for approval. Funds may be expended upon approval by the governor.

There is hereby annually appropriated to the commissioner of the Iron Range Resources and Rehabilitation board such funds as are necessary to carry out the projects approved and such funds as are necessary for administration of this section. Annual administrative costs, not including detailed engineering expenses for the projects, shall not exceed five percent of the amount annually expended from the fund.

Funds for the purposes of this section are provided by section 298.28, subdivision 1, clause (9) relating to the taconite environmental protection fund.

Sec. 21. [INVESTMENT OF FUNDS; INCOME.] *The fund established by section 20 shall be invested pursuant to law and the net interest and dividends arising from the investment shall be included and become part of the fund.*

Sec. 22. *There is hereby appropriated from the general fund to the taconite environmental protection fund on July 1, 1977, the sum of \$1,500,000. The taconite environmental protection fund shall reimburse the general fund plus interest at five percent on June 30, 1978.*

Sec. 23. [APPROPRIATION.] *If a taconite producer ceases beneficiation operations, either temporarily or permanently, and if the recipients of the taconite production tax as provided in section 298.28, subdivision 1, clauses (1) to (8), would receive decreased distributions as a result thereof, then the distribution to these recipients in each of the two years immediately following the year in which operations ceased shall be equal to the amount they received in the last full year before operations ceased. There is hereby appropriated from the taconite environmental protection fund to the commissioner of revenue the amount needed to make the above payments. If a taconite producer, which ceases beneficiation operations either temporarily or permanently, is required by a special law to make bond payments for a school district, the taconite environmental protection fund shall assume the payments of the taconite producer if the producer ceases to make the needed payments. There is hereby appropriated from the taconite environmental protection fund to the commissioner of revenue the amounts needed to make these school bond payments.*

Sec. 24. [APPROPRIATION.] *There is hereby appropriated from the general fund to the taconite environmental protection fund the amount needed to pay the payments authorized under section 23. The commissioner of finance shall transfer the funds only if the taconite environmental protection fund does not have a sufficient balance to pay the payments. No funds may be transferred from the general fund after January 1, 1980. Any amount transferred to the taconite environmental protection fund shall be repaid to the general fund without interest as soon as practicable.*

Sec. 25. [CITATION.] *Sections 25 to 28 shall be known as the "northeast Minnesota economic protection fund act of 1977."*

Sec. 26. [POLICY.] *The legislature is cognizant of the severe*

economic dislocations and widespread unemployment that result when a single industry on which an area is largely dependent, experiences a drastic reduction in activity. The Northeast Minnesota economic protection fund is hereby created to be devoted to economic rehabilitation and diversification of industrial enterprises where these conditions ensue as the result of the decline of such a single industry.

Sec. 27. The funds provided by Minnesota Statutes, Section 298.28, Subdivision 1, Clause (9), relating to the northeast Minnesota economic protection fund shall not be expended prior to (a) a declaration by the governor to the effect that the economic situation of northeast Minnesota requires remedial action by the legislature as a result of a decline in mineral-related activities, and (b) an appropriation of the funds by the legislature. The governor shall recommend to the legislature those measures that he believes will be appropriate in order to accomplish the purpose of his declaration. The funds provided by this fund may be spent only in those areas that are tax relief areas as defined in Minnesota Statutes, Section 273.134. The funds provided by Minnesota Statutes, Section 298.28, Subdivision 1, Clause (9), for this fund shall not be expended for this purpose prior to January 1, 2002.

Sec. 28. The fund established by section 26 shall be invested pursuant to law and the net interest and dividends arising from the investment shall be included and become part of the fund; provided that the governor may authorize the state treasurer to borrow an amount not exceeding 50 percent of the amount in the fund for a period terminating no later than December 31, 2001. The state treasurer, pursuant to the authorization, shall issue notes pledging the full faith and credit of the state for the purpose of repayment, and the notes shall bear interest at five percent per annum until paid.

Sec. 29. Minnesota Statutes 1976, Chapter 298, is amended by adding a section to read:

[298.48] [MINERAL RIGHTS; EXPLORATION DATA; FILING REQUIREMENTS.] Subdivision 1. [ANNUAL FILING.] *Every owner or lessee of mineral rights who, in respect thereto, has engaged in any exploration for or mining of taconite, semitaconite, or iron-sulphide shall, within six months of the effective date of this section, file with the commissioner of revenue all data of the following kinds in the possession or under the control of the owner or lessee which was acquired prior to January 1, 1977:*

(a) Maps and other records indicating the location, character and extent of exploration for taconite, semi-taconite, or iron-sulphides;

(b) Logs, notes and other records indicating the nature of minerals encountered during the course of exploration;

(c) The results of any analyses of metallurgical tests or samples taken in connection with exploration;

(d) *The ultimate pit layout and the supporting cross sections; and*

(e) *Any other data which the commissioner of revenue may determine to be relevant to the determination of the location, nature, extent, quality or quantity of unmined ores of said minerals. The commissioner of revenue shall have the power to compel submission of the data. The clerk of any court of record, upon demand of the commissioner, shall issue a subpoena for the production of any data before the commissioner. Disobedience of subpoenas issued under this section shall be punished by the district court of the district in which the subpoena is issued as for a contempt of the district court. By April 1 of each succeeding year every owner or lessee of mineral rights shall file with the commissioner of revenue all such data acquired during the preceding calendar year.*

Subd. 2. [USE OF DATA.] *Notwithstanding any other law to the contrary, the commissioner of revenue may use any data filed pursuant to subdivision 1 and any similar data otherwise obtained to the extent and in the manner he deems necessary to project the future availability, value, and utilization of the metallic mineral resources of this state. In making such projections the commissioner of revenue may consult with the commissioner of natural resources and may provide him with data as he deems appropriate.*

Subd. 3. [PENALTIES.] *Any owner or lessee of mineral rights who fails, neglects or refuses to make any filing required by this section is guilty of a gross misdemeanor.*

Subd. 4. [CONFIDENTIAL NATURE OF INFORMATION.] *The data filed pursuant to subdivision 1 shall be considered confidential for three years from the date it is filed with the commissioner. Nothing herein contained shall be construed to prohibit the commissioner from disclosing information or publishing statistics so classified as not to disclose the identity of particular data.*

Notwithstanding the other provisions of this subdivision, the commissioner, at his discretion, may furnish any information supplied under this section to the commissioner of natural resources or the director of the state planning agency. Any person violating the provisions of this section shall be guilty of a gross misdemeanor.

Sec. 30. [REPEALER.] *Minnesota Statutes 1976, Sections 294.27; 294.28; 298.244, Subdivision 1; 298.28, Subdivision 1a; and 298.281, are repealed.*

Sec. 31. [REPEALER.] *Minnesota Statutes 1976, Sections 298.241; and 298.243, are repealed.*

Sec. 32. [EFFECTIVE DATE.] *Sections 7, 10, 13, 15 and 31 are effective for iron ore concentrate produced in any year beginning after December 31, 1976. Sections 5, 8, 16, 17, 18 and 30 are effective for distributions made in any year after December 31, 1977. Sections 2, 6, 9, and 12 and 19 to 29 are effective the day after final enactment. Sections 1, 3, 4 and 14 are effective for property taxes levied in 1977 and thereafter, payable in 1978 and thereafter. Section 11 is effective for tailing produced after June 30, 1977.*

ARTICLE XI

Section 1. [APPROPRIATION.] *The sum of \$300,000 is appropriated from the general fund to the commissioner of revenue to meet the cost of administration of this act.*"

Further, strike the title and insert:

"A bill for an act relating to taxation; changing the definition of gross income for income tax purposes; increasing individual credits; restricting availability of low income credit; increasing rates; including certain amounts of public pensions and military pay in gross income; altering itemized deductions for taxes paid, casualty losses; changing provisions for allocation of gross income to this state; imposing a minimum tax on preference items; renaming the income adjusted homestead credit and increasing its benefits; removing non-school district debt limitation from property classifications; changing certain levy administration procedures; changing definitions of income, claimant, dependent, household income, property taxes payable, and rent constituting property taxes; increasing local government aids and changing distribution and appeal procedures; providing a dependent care income tax credit; changing property tax levy limits for local governmental subdivisions; redefining special levies; providing means of increasing levy limit bases; increasing school aids; decreasing assessment rates of certain classes of property; increasing state paid agricultural credit; providing means of assessment of agricultural land; increasing state share of AFDC costs; increasing attached machinery aids; decreasing employer's excise tax exemption; establishing a tax study commission; establishing procedures for declaration and payment of estimated occupation tax; changing taconite tax provisions; establishing taconite environmental and economic protection funds; appropriating money; amending Minnesota Statutes 1976, Sections 124.212, Subdivisions 7b and 10; 256.82; 273.02, Subdivision 4; 273.11, Subdivision 2; 273.111, Subdivision 4; 273.13, Subdivisions 4, 6, 7, and 14a; 273.132; 273.134; 273.135, Subdivisions 1 and 2; 273.138, Subdivision 2; 275.07; 275.125, Subdivision 2a; 275.50, Subdivision 5; 275.51, by adding a subdivision; 275.52, Subdivisions 2, 3, and 4, and by adding subdivisions; 275.53, Subdivision 1; 275.59; 276.01; 276.04; 278.01; 278.05; 287.241, Subdivision 2; 290.01, Subdivision 20; 290.012, Subdivision 2; 290.031, Subdivision 4; 290.06, Subdivisions 2c and 3c; 290.08, Subdivision 6; 290.081; 290.09, Subdivisions 4, 5, and 15; 290.17; 290.37, Subdivision 1; 290A.01; 290A.03, Subdivisions 3, 5, 7, 8, 11, 12 and 13; 290A.04, Subdivision 2, and by adding subdivisions; 290A.05; 290A.08; 290A.10; 290A.14; 290A.18; 290A.19; 294.26; 298.03; 298.22, Subdivisions 1 and 2; 298.24, Subdivisions 1 and 2; 298.244, Subdivision 2; 298.25; 298.26; 298.27; 298.28, Subdivision 1; 298.282, Subdivisions 1 and 2; 375.192, by adding a subdivision; 477A.01, Subdivisions 1, 2, 4, 4a, 4b, and by adding subdivisions; and Chapters 3, 272, 290, 290A, 298 and 477, by adding sections; and Laws 1976, Chapter 334, Section 21; repealing Minnesota Statutes 1976, Sections 273.011; 273.012; 275.51, Sub-

divisions 3b and 3c; 287.241, Subdivisions 3 and 4; 290.0601; 290.0602; 290.0603; 290.0604; 290.0605; 290.0606; 290.0608; 290.0609; 290.061; 290.0611; 290.0612; 290.0614; 290.0615; 290.0616; 290.0618; 290.066; 290.09, Subdivision 26; 290.65, Subdivision 1; 290.981; 290.982; 290.983; 290.984; 290.985; 290.986; 290.987; 290.988; 290.989; 290.99; 290.991; 290.992; 290A.21; 294.27; 294.28; 298.241; 298.243; 298.244, Subdivision 1; 298.28, Subdivision 1a; and 298.281."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) William N. Kelly, Robert E. Vanasek, Martin O. Sabo, Irvin N. Anderson, Joel Jacobs

Senate Conferees: (Signed) Bill McCutcheon, Douglas J. Johnson, Marvin B. Hanson, Eugene E. Stokowski, Collin C. Peterson

Mr. McCutcheon moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1475 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. 1475: A bill for an act relating to taxation; changing the definition of gross income for income tax purposes; increasing individual credits; restricting availability of low income credit; increasing rates; including certain amounts of public pensions and military pay in gross income; altering itemized deductions for taxes paid, casualty losses; changing provisions for allocation of gross income to this state; imposing a minimum tax on preference items; renaming the income adjusted homestead credit and increasing its benefits; removing non-school district debt limitation from property classifications; changing certain levy administration procedures; changing definitions of income, claimant, dependent, household income, property taxes payable, and rent constituting property taxes; increasing local government aids and changing distribution and appeal procedures; providing a dependent care income tax credit; changing property tax levy limits for local governmental subdivisions; redefining special levies; providing means of increasing levy limit bases; increasing school aids; decreasing assessment rates of certain classes of property; increasing state paid agricultural credit; providing means of assessment of agricultural land; increasing state share of AFDC costs; increasing attached machinery aids; decreasing employer's excise tax exemption; establishing a tax study commission; establishing procedures for declaration and payment of estimated occupation tax; changing taconite tax provisions; establishing taconite environmental and economic protection funds; appropriating money; amending Minnesota Statutes 1976, Sections 124.212, Subdivisions 7b and 10; 256.82; 273.02, Subdivision 4; 273.11, Subdivision 2; 273.111, Subdivision 4; 273.13, Subdivisions 4, 6, 7, and 14a; 273.132; 273.134; 273.135, Subdivisions 1 and 2; 273.138, Subdivision 2; 275.07; 275.125, Subdivision 2a; 275.50, Subdivision 5; 275.51, by adding a subdivision; 275.52, Subdivisions 2, 3, and 4, and by adding subdivisions; 275.53, Subdivision 1; 275.59; 276.01; 276.04; 278.01; 278.05; 287.241, Subdivision 2; 290.01, Subdivision 20;

290.012, Subdivision 2; 290.031, Subdivision 4; 290.06, Subdivisions 2c and 3c; 290.08, Subdivision 6; 290.081; 290.09, Subdivisions 4, 5, and 15; 290.17; 290.37, Subdivision 1; 290A.01; 290A.03, Subdivisions 3, 5, 7, 8, 11, 12 and 13; 290A.04, Subdivision 2, and by adding subdivisions; 290A.05; 290A.08; 290A.10; 290A.14; 290A.18; 290A.19; 294.26; 298.03; 298.22, Subdivisions 1 and 2; 298.24, Subdivisions 1 and 2; 298.244, Subdivision 2; 298.25; 298.26; 298.27; 298.28, Subdivision 1; 298.282, Subdivisions 1 and 2; 375.192, by adding a subdivision; 477A.01, Subdivisions 1, 2, 4, 4a, 4b, and by adding subdivisions; and Chapters 3, 272, 290, 290A, 298 and 477, by adding sections; and Laws 1976, Chapter 334, Section 21; repealing Minnesota Statutes 1976, Sections 273.011; 273.012; 275.51, Subdivisions 3b and 3c; 287.241, Subdivisions 3 and 4; 290.0601; 290.0602; 290.0603; 290.0604; 290.0605; 290.0606; 290.0608; 290.0609; 290.061; 290.0611; 290.0612; 290.0614; 290.0615; 290.0616; 290.0618; 290.066; 290.09, Subdivision 26; 290.65, Subdivision 1; 290.981; 290.982; 290.983; 290.984; 290.985; 290.986; 290.987; 290.988; 290.989; 290.99; 290.991; 290.992; 290A.21; 294.27; 294.28; 298.241; 298.243; 298.244, Subdivision 1; 298.28, Subdivision 1a; and 298.281.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 45 and nays 17, as follows:

Those who voted in affirmative were:

Anderson	Hughes	McCutcheon	Perpich	Spear
Benedict	Humphrey	Menning	Peterson	Staples
Borden	Johnson	Merriam	Purfeerst	Stokowski
Coleman	Kleinbaum	Milton	Schaaf	Strand
Davies	Knoll	Moe	Schmitz	Stumpf
Dieterich	Laufenburger	Nelson	Schrom	Tennessee
Gearty	Lessard	Olhoff	Setzepfandt	Vega
Gunderson	Lewis	Olson	Sikorski	Wegener
Hanson	Luther	Penny	Soion	Willet

Those who voted in the negative were:

Ashbach	Dunn	Keefe, J.	Ogdahl	Sieloff
Bang	Engler	Kirchner	Pillsbury	Sillers
Bernhagen	Frederick	Knutson	Renneke	Ulland, J.
Brataas	Jensen			

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

RECESS

Mr. Coleman moved that the Senate do now recess until 9:45 o'clock p.m. The motion prevailed.

The hour of 9:45 o'clock p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Anderson	Hughes	Menning	Schaaf	Stokowski
Benedict	Kirchner	Merriam	Schmitz	Strand
Coleman	Kleinbaum	Nelson	Schrom	Stumpf
Davies	Knoll	Olhoff	Setzepfandt	Tennessee
Dieterich	Laufenburger	Perpich	Sieloff	Ulland, J.
Gearty	Luther	Peterson	Sikorski	Wegener
Gunderson	McCutcheon	Pillsbury	Spear	Willet

The Sergeant at Arms was instructed to bring in the absent members.

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 896 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 896

A bill for an act relating to the establishment of a power plant site and transmission line route selection authority in the environmental quality board; eliminating the corridor designation process; clarifying certain procedures; authorizing certain options concerning the amount of land to be condemned and annual payments for owners of land condemned for routes or sites; requiring the board and the office of hearing examiners to adopt emergency and permanent rules; authorizing the board to revoke or suspend permits; specifying amounts for route application fees; providing for a property tax credit for land crossed by high voltage transmission lines; providing penalties; amending Minnesota Statutes 1976, Sections 116C.52, Subdivisions 3 and 7, and by adding subdivisions; 116C.53; 116C.54; 116C.55, Subdivisions 2 and 3; 116C.57; 116C.58; 116C.59, Subdivision 1, and by adding subdivisions; 116C.61, Subdivisions 2 and 3; 116C.62; 116C.63; 116C.64; 116C.65; 116C.66; 116C.67; 116C.68; 116C.69; 273.42; 276.04; and Chapters 116C, by adding a section; and 273, by adding a section; repealing Minnesota Statutes 1976, Sections 116C.55, Subdivision 1; and 116C.56.

May 20, 1977

The Honorable Edward J. Gearty
President of the Senate

The Honorable Martin O. Sabo
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 896, report that we have agreed upon the items in dispute and recommend as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 116C.52, Subdivision 3, is amended to read:

Subd. 3. "High voltage transmission line" shall mean means a

conductor of electric energy and associated facilities designed for and capable of operation at a nominal voltage of 200 kilovolts or more, except that the board, by regulation rule, may exempt lines under one mile in length pursuant to section 116C.57, subdivision 5

Sec. 2. Minnesota Statutes 1976, Section 116C.52, Subdivision 7, is amended to read:

Subd. 7. "Construction" shall be deemed to have started or commenced as a result of significant physical alteration of a site or route but not including activities incident to preliminary engineering or environmental studies means any clearing of land, excavation, or other action that would adversely affect the natural environment of the site or route but does not include changes needed for temporary use of sites or routes for nonutility purposes, or uses in securing survey or geological data, including necessary borings to ascertain foundation conditions.

Sec. 3. Minnesota Statutes 1976, Section 116C.52, is amended by adding a subdivision to read:

Subd. 8. "Route" means the location of a high voltage transmission line between two end points. The route may have a variable width of up to 1.25 miles.

Sec. 4. Minnesota Statutes 1976, Section 116C.52, is amended by adding a subdivision to read:

Subd. 9. "Site" means the location of a large electric power generating plant.

Sec. 5. Minnesota Statutes 1976, Section 116C.52, is amended by adding a subdivision to read:

Subd. 10. "Large electric power facilities" means high voltage transmission lines and large electric power generating plants.

Sec. 6. Minnesota Statutes 1976, Section 116C.53, is amended to read:

116C.53 [SITING AUTHORITY.] Subdivision 1. [POLICY.] The legislature hereby declares it to be the policy of the state to locate large electric power facilities in an orderly manner compatible with environmental preservation and the efficient use of resources. In accordance with this policy the board shall choose locations that minimize adverse human and environmental impact while insuring continuing electric power system reliability and integrity and insuring that electric energy needs are met and fulfilled in an orderly and timely fashion.

Subd. 2. [JURISDICTION.] The Minnesota environmental quality board is hereby given the authority to provide for power plant site and transmission line corridor and route selection.

Subd. 3. If a route is proposed in two or more states, the board shall attempt to reach agreement with affected states on the entry and exit points prior to authorizing the construction of the route. The board, in discharge of its duties pursuant to sections 116C.51 to 116C.69 may make joint investigations, hold joint hearings

within or without the state, and issue joint or concurrent orders in conjunction or concurrence with any official or agency of any state or of the United States. The board may negotiate and enter into any agreements or compacts with agencies of other states, pursuant to any consent of congress, for cooperative efforts in certifying the construction, operation, and maintenance of large electric power facilities in accord with the purposes of sections 116C.51 to 116C.69 and for the enforcement of the respective state laws regarding such facilities.

Sec. 7. Minnesota Statutes 1976, Section 116C.54, is amended to read:

116C.54 [ADVANCE FORECASTING.] Every utility which owns or operates, or plans within the next 15 years to own or operate large electric power generating plants or high voltage transmission lines shall develop forecasts as specified in this section. On or before July 1 of each even-numbered year, every such utility shall submit a report of its forecast to the board. Such report may be appropriate portions of a single regional forecast or may be jointly prepared and submitted by two or more utilities and shall contain the following information:

(1) Description of the tentative regional location and general size and type of all large electric power generating plants and high voltage transmission lines to be owned or operated by such the utility during the ensuing 15 years or such any longer period as the board deems necessary;

(2) Identification of all existing generating plants and transmission lines projected to be removed from service during such any 15 year period or upon completion of construction of such any large electric power generating plants and high voltage transmission lines;

(3) Statement of the projected demand for electric energy for the ensuing 15 years and the underlying assumptions for this forecast, such information to be as geographically specific as possible where this demand will occur;

(4) Description of the capacity of the electric power system to meet such projected demands during the ensuing 15 years;

(5) Description of the utility's relationship to other utilities and regional associations, power pools or networks; and

(6) Other relevant information as may be requested by the board.

On or before July 1 of each odd-numbered year, a utility shall verify or submit revisions to items (1) and (2).

Sec. 8. Minnesota Statutes 1976, Section 116C.55, Subdivision 2, is amended to read:

Subd. 2. [INVENTORY CRITERIA; PUBLIC HEARINGS.] The board shall promptly initiate a public planning process where all interested persons can participate in developing the criteria and standards to be used by the board in preparing an inventory of

potential large electric power generating plant sites and high voltage transmission line corridors study areas and to guide the site and route suitability evaluation and selection process. The participatory process shall include, but should not be limited to public hearings. Before substantial modifications of the initial criteria and standards are adopted, additional public hearings shall be held. ~~Such criteria and standards shall be promulgated on or before July 1, 1974. All hearings conducted under this subdivision shall be conducted pursuant to the rulemaking provisions of chapter 15.~~

Sec. 9. Minnesota Statutes 1976, Section 116C.55, Subdivision 3. is amended to read:

Subd. 3. [INVENTORY OF LARGE ELECTRIC POWER GENERATING PLANT STUDY AREAS.] On or before July 1, 1975, ~~January 1, 1979~~, the board shall ~~assemble and publish~~ *adopt* an inventory of potential large electric power generating plant sites and high voltage transmission line corridors study areas and ~~publish an inventory report~~. The inventory report of potential large electric power generating plant sites and high voltage transmission line corridors shall ~~set forth~~ *specify* the *planning policies*, criteria and standards used in developing the potential site and corridor inventory. After completion of its initial inventory of potential sites and corridors, the board shall have a continuing responsibility to evaluate, update and publish its inventory and if, ~~due to changed circumstances or information, a site or corridor is inconsistent with prescribed criteria or does not meet prescribed standards, such site or corridor shall be removed from the inventory of potential sites and corridors.~~

Sec. 10. Minnesota Statutes 1976, Section 116C.57, is amended to read:

116C.57 [DESIGNATION OF SITES AND ROUTES; PROCEDURES; CONSIDERATIONS; EMERGENCY CERTIFICATION; EXEMPTION.] Subdivision 1. [DESIGNATION OF SITES SUITABLE FOR SPECIFIC FACILITIES; REPORTS.] ~~Following publication of the inventory of potential sites for large electric power generating plants or corridors for high voltage transmission lines and the submission of the five year development plans of the utilities, A utility must apply to the board in a form and manner prescribed by the board for designation of a specific site or corridor for a specific size and type of facility. No large electric power generating plant or high voltage transmission line shall be constructed except on a site or route designated by the board pursuant to sections 116C.51 to 116C.60. Following the study, evaluation, and hearings, as provided in this section and sections 116C.58 to 116C.60, on~~ *The application shall contain at least two proposed sites. In the event a utility proposes a site not included in the board's inventory of study areas, the utility shall specify the reasons for the proposal and shall make an evaluation of the proposed site based upon the planning policies, criteria and standards specified in the inventory. Pursuant to sections 116C.57 to 116C.60, the board shall study and evaluate any site or corridor proposed by the utilities a utility and such any other sites site and corridors as the board deems necessary from the inventory the*

board shall designate a suitable site or corridor for a specific size and type of facility. This designation by the board shall be made in accordance with the site selection criteria and standards established in section 116C.55 and shall be made in a timely manner in a finding with reasons for such choice, and published no later than one year after the request for designation of a site by the utility or no later than 180 days after the request for designation of a corridor by the utility. The time for designation of a site may be extended for six months by the board for just cause which was proposed in a manner consistent with rules adopted by the board concerning the form, content, and timeliness of proposals for alternate sites. No site or corridor designation shall be made in violation of the site selection standards established in section 116C.55. The board shall indicate the reasons for any refusal and indicate changes in size or type of facility necessary to allow siting in compliance with the standards site designation. Upon designation of the site, within a year after the board's acceptance of a utility's application, the board shall decide in accordance with the criteria specified in section 116C.55, subdivision 2, the responsibilities, procedures and considerations specified in section 116C.57, subdivision 4, and the considerations in chapter 116D which proposed site is to be designated. The board may extend for just cause the time limitation for its decision for a period not to exceed six months. When the board designates a site or corridor, the board shall issue to the utility a certificate of site compatibility to the utility with any appropriate conditions. The board shall publish a notice of its decision in the state register within 30 days of site designation. No large electric power generating plant shall be constructed except on a site designated by the board.

Subd. 2. [DESIGNATION OF ROUTES; PROCEDURE.] No later than two years after the issuance of a certificate of site compatibility the A utility shall apply to the board in a form and manner prescribed by the board for a permit for the construction of a high voltage transmission line within the approved corridor. Following the application shall contain at least two proposed routes. Pursuant to sections 116C.57 to 116C.60, the board shall study, evaluate and hearings on evaluate the type, design, routing, right-of-way preparation and facility construction as identified of any route proposed in the a utility's application and any other alternatives to the utility's corridor development proposal as provided in subdivision 4, route the board deems necessary which was proposed in a manner consistent with rules adopted by the board concerning the form, content, and timeliness of proposals for alternate routes provided, however, that the board shall identify the alternative routes prior to the commencement of public hearings thereon pursuant to section 116C.58. Within one year after the board's acceptance of a utility's application, the board shall decide in accordance with the criteria and standards specified in section 116C.55, subdivision 2, and the considerations specified in section 116C.57, subdivision 4, which proposed route is to be designated. The board may extend for just cause the time limitation for its decision for a period not to exceed 90 days. When the board designates a route, it shall issue a permit for the construc-

tion of a high voltage transmission lines within the designated corridor. This permit issuance by the board shall be made in a timely manner and published no later than 180 days after the application for a permit by the utility line specifying the type, design, routing, right-of-way preparation and facility construction it deems necessary and with any other appropriate conditions. The board may order the construction of high voltage transmission line facilities which are capable of expansion in transmission capacity through multiple circuiting or design modifications. The board shall publish a notice of its decision in the state register within 30 days of issuance of the permit. No high voltage transmission line shall be constructed except on a route designated by the board, unless it was exempted pursuant to subdivision 5.

Subd. 3. [EMERGENCY CERTIFICATION.] Any utility whose electric power system requires the immediate construction of a large electric power generating plant or high voltage transmission line may make application to the board for an emergency certificate of site compatibility or permit for the construction of high voltage transmission lines, which certificate or permit shall be issued in a timely manner and published no later than 180 195 days after the board's acceptance of the application and upon a finding by the board that a demonstrable emergency exists which requires such immediate construction, and that adherence to the procedures and time schedules set forth specified in sections 116C.54 to , 116C.56 and 116C.57 would jeopardize such the utility's electric power system or would jeopardize the utility's ability to meet the electric needs of its customers in a orderly and timely manner. A public hearing to determine if an emergency exists shall be held within 90 days of the application. The board shall, after notice and hearing, promulgate regulations setting forth rules specifying the criteria for emergency certification.

Subd. 4. [CONSIDERATIONS IN DESIGNATING SITES AND ROUTES.] To facilitate the study, research, evaluation and designation of sites and corridors for large electric power generating plants and high voltage transmission lines and the approval of specific transmission line facilities and their routes, the board shall be guided by, but not limited to, the following responsibilities, procedures, and considerations:

(1) Evaluation of research and investigations relating to the effects on land, water and air resources of large electric power generating plants and high voltage transmission line corridors and routes and the effects of water and air discharges and electric fields resulting from such plants facilities on public health and welfare, vegetation, animals, materials and aesthetic values, including base line studies, predictive modeling, and monitoring of the water and air mass at proposed and operating sites and sites of operating large electric power generating plants routes, evaluation of new or improved methods for minimizing adverse impacts of water and air discharges and other matters pertaining to the effects of power plants on the water and air environment;

(2) Environmental evaluation of large electric power generating plant sites and high voltage transmission line corridors and routes

proposed for future development and expansion and their relationship to the land, water, air and human resources of the state;

(3) Evaluation of the effects of new electric power generation and transmission technologies and systems related to power plants designed to minimize adverse environmental effects;

(4) Evaluation of the potential for beneficial uses of waste energy from proposed large electric power generating plants;

(5) Analysis of the direct and indirect economic impact of proposed large electric power generating plants and high voltage transmission lines sites and routes including, but not limited to, productive agricultural land lost or impaired;

(6) Evaluation of adverse direct and indirect environmental effects which cannot be avoided should the proposed site and transmission line corridor or route be accepted;

(7) Evaluation of alternatives to the proposed site and transmission line corridors and routes applicant's proposed site or route proposed pursuant to section 116C.57, subdivisions 1 and 2;

(8) Evaluation of potential routes which would use or parallel existing railroad and highway rights-of-way;

(9) Evaluation of governmental survey lines and other natural division lines of agricultural land so as to minimize interference with agricultural operations;

(10) Evaluation of the future needs for additional high voltage transmission lines in the same general area as any proposed route, and the advisability of ordering the construction of structures capable of expansion in transmission capacity through multiple circuiting or design modifications;

(8) (11) Evaluation of irreversible and irretrievable commitments of resources should the proposed site and transmission line corridor or route be approved; and

(9) (12) Where appropriate, consideration of problems raised by other state and federal agencies and local entities.

(10) (13) Where If the board's rules and regulations of the board as set forth in sections 116C.51 to 116C.69 are substantially similar to existing rules and regulations of a federal agency to which the utility in the state is subject, the federal rules and regulations shall be applied by the board.

(14) No site or route shall be designated which violates state agency rules.

Subd. 5. [EXEMPTION OF CERTAIN ROUTES.] A utility may apply to the board in a form and manner prescribed by the board to exempt the construction of any proposed high voltage transmission line from sections 116C.51 to 116C.69. Within 15 days of the board's receipt of the exemption application, the utility shall publish a notice and description of the exemption application in a legal newspaper of general circulation in each county in which

the route is proposed and send a copy of the exemption application by certified mail to the chief executive of any regional development commission, county, incorporated municipality and organized town in which the route is proposed and shall send a notice and description of the exemption application to each owner over whose property the line may run, together with an understandable description of the procedures the owner must follow should he desire to object. For the purpose of giving mailed notice under this subdivision, owners shall be those shown on the records of the county auditor or, in any county where tax statements are mailed by the county treasurer, on the records of the county treasurer; but other appropriate records may be used for this purpose. Except as to the owners of tax exempt property or property taxes on a gross earnings basis, every property owner whose name does not appear on the records of the county auditor or the county treasurer shall be deemed to have waived such mailed notice unless he has requested in writing that the county auditor or county treasurer, as the case may be, include his name on the records for such purpose. The failure to give mailed notice to a property owner, or defects in the notice shall not invalidate the proceedings, provided a bona fide attempt to comply with this subdivision has been made. If any person who owns real property crossed by the proposed route, or any person owning property adjacent to property crossed by the proposed route, or any affected political subdivision files an objection with the board within 60 days after the board's receipt of the exemption application, the board shall either deny the exemption application or conduct a public hearing. If the board determines that the proposed high voltage transmission line will not create significant human or environmental impact, it may exempt the proposed transmission line with any appropriate conditions, but the utility shall comply with any applicable state rule and any applicable zoning, building and land use rules, regulations and ordinances of any regional, county, local and special purpose government in which the route is proposed. The board may by rule require a fee to pay expenses incurred in processing exemptions. Any fee charged is subject to the conditions of section 116C.69, subdivision 2a.

Subd. 6. [RECORDING OF SURVEY POINTS.] The permanent location of monuments or markers found or placed by a utility in a survey of right of way for a route shall be placed on record in the office of the county recorder or registrar of titles. No fee shall be charged to the utility for recording this information.

Sec. 11. Minnesota Statutes 1976, Section 116C.58, is amended to read:

116C.58 [PUBLIC HEARINGS; NOTICE.] The board shall hold an annual public hearing at a time and place prescribed by regulation rule in order to afford interested persons an opportunity to be heard regarding its inventory of ~~potential sites and corridors study areas~~ and any other aspects of the board's activities and duties or the policies set forth specified in sections 116C.51 to 116C.69. The board shall hold at least one public hearing in each

county where a site or route is being considered for designation pursuant to section 116C.57 as suitable for construction of a large electric power generating plant or a high voltage transmission line. Notice and agenda of public hearings and public meetings of the board held in each county shall be given by the board at least ten days in advance but no earlier than 45 days prior to such hearings or meetings. Notice shall be by publication in a legal newspaper of general circulation in the county in which the public hearing or public meeting is to be held and by certified mailed notice to chief executives of the regional councils, county development commissions, counties, organized towns and the incorporated municipalities therein in which a site or route is proposed. All hearings held for designating a site or route or for exempting a route shall be conducted by a hearing examiner from the office of hearing examiners pursuant to the contested case procedures of chapter 15. Any person may appear at the hearings and present testimony and exhibits and may question witnesses without the necessity of intervening as a formal party to the proceedings.

Sec. 12. Minnesota Statutes 1976, Section 116C.59, Subdivision 1, is amended to read:

116C.59 [PUBLIC PARTICIPATION.] Subdivision 1. [ADVISORY COMMITTEE.] The board shall appoint one or more advisory committees to assist it in carrying out its duties. Committees appointed to evaluate plant sites or transmission line corridors routes considered for designation shall be comprised of as many persons as may be designated by the board, but shall include a majority of public representatives; at least one representative from each of the following: A public or municipally owned utility, a private investor owned utility and a cooperatively owned utility; one representative from the Regional council and one from each county development commissions, counties and municipal corporation corporations and one town board member from each county in which a large electric power generating plant site and high voltage transmission line corridor are or route is proposed to be located. No officer, agent or employee of a utility shall serve on an advisory committee. Reimbursement for expenses incurred shall be made pursuant to the rules governing state employees.

Sec. 13. Minnesota Statutes 1976, Section 116C.59, is amended by adding subdivisions to read:

Subd. 3. [PUBLIC ADVISOR.] The board shall designate one staff person for the sole purpose of assisting and advising those affected and interested citizens on how to effectively participate in site or route proceedings.

Subd. 4. [SCIENTIFIC ADVISORY COMMITTEE.] The board may appoint one or more advisory committee composed of technical and scientific experts to conduct research and make recommendations concerning generic issues such as health and safety, underground routes, double circuiting and long range route and site planning. Reimbursement for expenses incurred shall be made pursuant to the rules governing reimbursement of state employees.

Sec. 14. Minnesota Statutes 1976, Section 116C.61, Subdivision 2, is amended to read:

Subd. 2. [FACILITY LICENSING.] Notwithstanding anything herein to the contrary, utilities shall obtain state permits that may be required to construct and operate large electric power generating plants and high voltage transmission lines. A state agency in processing a utility's facility permit application shall be bound to the decisions of the board, with respect to the site designation for the large electric power generating plant or the corridor or route designation for the high voltage transmission line, and with respect to other matters for which authority has been granted to the board by sections 116C.51 to 116C.69.

Sec. 15. Minnesota Statutes 1976, Section 116C.61, Subdivision 3, is amended to read:

Subd. 3. [STATE AGENCY PARTICIPATION.] State agencies authorized to issue permits required for construction or operation of large electric power generating plants or high voltage transmission lines shall participate in and present the position of the agency at public hearings and all other activities of the board on specific site, corridor or route designations of the board, which position shall clearly state whether the site, corridor, or route being considered for designation or permit approval for a certain size and type of facility will be in compliance with state agency standards, regulations or policies. ~~No site or route shall be designated which violates state agency regulations.~~

Sec. 16. Minnesota Statutes 1976, Section 116C.62, is amended to read:

116C.62 [IMPROVEMENT OF SITES AND ROUTES.] Utilities which have acquired a power plant site or transmission line route in accordance with sections 116C.51 to 116C.69 may proceed to construct or improve such the site or route for the intended purposes at any time, subject to section 116C.61, subdivision 2, provided that if such the construction and improvement commences more than four years after a certificate or permit for the site or route has been issued then the utility must certify to the board that such the site or route continues to meet the conditions upon which the certificate of site compatibility or transmission line construction permit was issued.

Sec. 17. Minnesota Statutes 1976, Section 116C.63, is amended to read:

116C.63 [EMINENT DOMAIN POWERS; RIGHT OF CONDEMNATION.] *Subdivision 1.* Nothing herein in this section shall abrogate or invalidate the right of eminent domain vested in utilities by statute or common law existing as of May 24, 1973, except to the extent modified herein. Such The right of eminent domain shall continue to exist for utilities and may be used according to law to accomplish any of the purposes and objectives of sections 116C.51 to 116C.69, including acquisition of the right to utilize existing high voltage transmission facilities which are capable of expansion or modification to accommodate both existing and proposed conductors. Notwithstanding any law to the contrary, all easement interests shall revert to the then fee owner if a route is not used for high voltage transmission line purposes for a period of five years.

Subd. 2. In eminent domain proceedings by a utility for the acquisition of real property proposed for construction of a route or a site, the proceedings shall be conducted in the manner prescribed in chapter 117, except as otherwise specifically provided in this section.

Subd. 3. When such property is acquired by eminent domain proceedings or voluntary purchase and the amount the owner shall receive for the property is finally determined, the owner who is entitled to payment may elect to have the amount paid in not more than ten annual installments, with interest on the deferred installments, at the rate of eight percent per annum on the unpaid balance, by submitting a written request to the utility before any payment has been made. After the first installment is paid the petitioner may make its final certificate, as provided by law, in the same manner as though the entire amount had been paid.

Subd. 4. When property defined as class 3, 3b, 3c, 3cc, 3d, or 3f pursuant to section 273.13 is proposed to be acquired for the construction of a site or route by eminent domain proceedings, the property owner shall have the option to require the utility to condemn a fee interest in any amount of contiguous land which he owns and elects in writing to transfer to the utility within 60 days after his receipt of the petition filed pursuant to section 117.055. The required acquisition of land contiguous to, but outside the designated right-of-way of a route or the boundary of a site, shall be considered an acquisition for a public purpose and for use in the utility's business, for purposes of chapter 117D and section 500.24, respectively; provided that a utility shall divest itself completely of all such lands used for farming or capable of being used for farming within five years within the date of acquisition, or such land shall be sold at a public sale in the manner prescribed by law for the foreclosure of a mortgage by action.

Subd. 5. A utility shall notify by certified mail each person who has transferred any interest in real property to the utility after July 1, 1974, but prior to the effective date of this act, for the purpose of a site or route that he may elect in writing within 90 days after receipt of notice to require the utility to acquire any remaining contiguous parcel of land pursuant to section 17 or to return any payment to the utility and require it to make installment payments pursuant to section 17.

Sec. 18. Minnesota Statutes 1976, Chapter 116C, is amended by adding a section to read:

[116C.635] [ANNUAL PAYMENTS.] A utility shall annually pay to the owners of land defined as class 3, 3b, 3c, 3cc, 3d, or 3f pursuant to section 273.13 listed on records of the county auditor or treasurer over which runs a high voltage transmission line as defined in section 116C.52, subdivision 3, an amount determined by multiplying a fraction, the numerator of which is the length of high voltage transmission line which runs over that parcel and the denominator of which is the total length of that particular line running over all property within the county, by ten percent

of the transmission and distribution line tax revenue derived from the tax on that line pursuant to section 273.42. Prior to August 1 of each year, the auditor of each county shall send a statement to the utility specifying the amount of the payment the utility must make to each qualifying owner of land within the county pursuant to this section. Where a right of way width is shared by more than one property owner, the numerator shall be adjusted by multiplying the length of line on the parcel by the proportion of the total width on the parcel owned by that property owner. The amount of payment for which the property qualifies pursuant to this subdivision shall not exceed 20 percent of the total gross tax on the parcel prior to deduction of the state paid agricultural credit and the state paid homestead credit. The payments of this section shall be made to each affected landowner by the appropriate utility on or before October 1 of each year after 1977 based upon the tax levied in the previous year and shall not reduce any payment pursuant to a voluntary agreement or eminent domain proceeding.

Sec. 19. Minnesota Statutes 1976, Section 116C.64, is amended to read:

116C.64 [FAILURE TO ACT.] *In the event if the board fails to designate in a timely manner large electric power generating plant sites and high voltage transmission line corridors or routes as provided for herein act within the times specified in section 116C.57, any affected utility may seek an order of the district court requiring the board to designate or refuse to designate a site, corridor, or route.*

Sec. 20. Minnesota Statutes 1976, Chapter 116C, is amended by adding a section to read:

[116C.645] [REVOCATION OR SUSPENSION.] *A site certificate or construction permit may be revoked or suspended by the board after adequate notice of the alleged grounds for revocation or suspension and a full and fair hearing in which the affected utility has an opportunity to confront any witness and respond to any evidence against it and to present rebuttal or mitigating evidence upon a finding by the board of:*

(1) Any false statement knowingly made in the application or in accompanying statements or studies required of the applicant, if a true statement would have warranted a change in the board's findings;

(2) Failure to comply with material conditions of the site certificate or construction permit, or failure to maintain safety standards; or

(3) Any material violation of the provisions of sections 116C.51 to 116C.69, any rule promulgated pursuant thereto, or any order of the board.

Sec. 21. Minnesota Statutes 1976, Section 116C.65, is amended to read:

116C.65 [JUDICIAL REVIEW.] Any utility, party or person aggrieved by the issuance of a certificate or emergency certificate of site compatibility or transmission line construction permit from the board or a certification of continuing suitability filed by a utility with the board or by a final order in accordance with any rules and regulations promulgated by the board, may appeal therefrom to any district court where such large electric power generating plant a site or high voltage transmission line route is to be located. Such *The* appeal shall be made and perfected filed within 60 days after the publication in the state register of notice of the issuance of the certificate or permit by the board or certification filed with the council or the filing of any final order by the board. The notice of appeal to the district court shall be filed with the clerk of the district court and a copy thereof mailed to the board and affected utility. Any utility, party or 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 scope of judicial review shall be as prescribed in section 15.024.*

Sec. 22. Minnesota Statutes 1976, Section 116C.66, is amended to read:

116C.66 [RULES.] The board, in order to give effect to the purposes of sections 116C.51 to 116C.69, shall prior to January 1, 1978, adopt rules and regulations consistent with sections 116C.51 to 116C.69, including promulgation of plant siting and transmission line routing site and route designation criteria, the description of the information to be furnished by the utilities, establishment of minimum guidelines for public participation in the development, revision, and enforcement of any regulation rule, plan or program established by the board, procedures for the revocation or suspension of a construction permit or a certificate of site compatibility, the procedure and timeliness for proposing alternative routes and sites, and route exemption criteria and procedures. No rule adopted by the board shall grant priority to state owned wildlife management areas over agricultural lands in the designation of route avoidance areas. The provisions of chapter 15, shall apply to the appeal of rules and regulations adopted by the board to the same extent as it applies to review of rules and regulations adopted by any other agency of state government.

The chief hearing examiner shall, prior to January 1, 1978, adopt procedural rules for public hearings relating to the site and route designation process and to the route exemption process. The rules shall attempt to maximize citizen participation in these processes.

Sec. 23. Minnesota Statutes 1976, Section 116C.67, is amended to read:

116C.67 [SAVINGS CLAUSE.] The provisions of sections 116C.51 to 116C.69 shall not apply to the any site for the large electric power generating plant evaluated and recommended by the governor's environmental quality council prior to the date of

enactment, and also to any high voltage transmission lines, the construction of which will commence prior to July 1, 1974; provided, however, that within 90 days following the date of enactment, the affected utility shall file with the council a written statement identifying such transmission lines, their planned location, and the estimated date for commencement of construction.

Sec. 24. Minnesota Statutes 1976, Section 116C.68, is amended to read:

116C.68 [ENFORCEMENT, PENALTIES.] Subdivision 1. Any person who violates sections 116C.51 to 116C.69 or any rule or regulation promulgated hereunder, or knowingly submits false information in any report required by sections 116C.51 to 116C.69 shall be is guilty of a misdemeanor for the first offense and a gross misdemeanor for the second and each subsequent offense. Each day of violation shall constitute a separate offense.

Subd. 2. The provisions of sections 116C.51 to 116C.69 or any rules or regulations promulgated hereunder may be enforced by injunction, action to compel performance or other appropriate action in the district court of the county wherein the violation takes place. The attorney general shall bring any action under this subdivision upon the request of the board.

Subd. 3. When the court finds that any person has violated sections 116C.51 to 116C.69, any rule or regulation hereunder, knowingly submitted false information in any report required by sections 116C.51 to 116C.69 or has violated any court order issued under this chapter sections 116C.51 to 116C.69, the court may impose a civil penalty of not more than \$10,000 for each violation. These penalties shall be paid to the general fund in the state treasury.

Sec. 25. Minnesota Statutes 1976, Section 116C.69, is amended to read:

116C.69 [BIENNIAL REPORT; APPLICATION FEES; APPROPRIATION; FUNDING.] Subdivision 1. [BIENNIAL REPORT.] *Before November 15 of each even-numbered year* the board shall prepare and submit to the legislature biennially a report of its power plant and transmission siting operations, activities, findings, and recommendations, and undertakings concerning sections 116C.51 to 116C.69. The report shall also contain information on the board's biennial expenditures, its proposed budget for the following biennium, and the amounts paid in certificate and permit application fees pursuant to subdivision subdivisions 2 and 2a and in assessments pursuant to subdivision 3. The proposed budget for the following biennium shall be subject to legislative review.

Subd. 2. [SITE APPLICATION FEE.] Every applicant for a site certificate or transmission line construction permit shall pay to the board a fee in an amount equal to \$500 for each \$1,000,000 of production or transmission line plant investment in the proposed installation as defined in the Federal Power Commission

Uniform System of Accounts. The board shall specify the time and manner of payment of the fee. If any single payment requested by the board is in excess of 25 percent of the total estimated fee, the board shall show that ~~such~~ the excess is reasonably necessary. The applicant shall pay within 30 days of notification ~~such~~ any additional fees as are reasonably necessary for completion of the ~~plant site ; transmission line corridor or route~~ evaluation and ~~selection~~ designation process by the board. In no event shall the total fees required of the applicant under this subdivision exceed an amount equal to 0.001 of said production ~~or transmission line~~ plant investment (\$1,000 for each \$1,000,000) ~~except that the minimum application fee shall not be less than \$5,000~~. 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 pay expenses incurred in processing applications for certificates ~~or permits~~ in accordance with the provisions of sections 116C.51 to 116C.69 and in the event ~~such~~ the expenses are less than the fee paid, to refund the excess to the applicant. This annual appropriation shall not exceed the fees to be paid during ~~such~~ each period.

Subd. 2a. [ROUTE APPLICATION FEE.] Every applicant for a transmission line construction permit shall pay to the board a base fee of \$35,000 plus a fee in an amount equal to \$1,000 per mile length of the longest proposed route. The board shall specify the time and manner of payment of the fee. If any single payment requested by the board is in excess of 25 percent of the total estimated fee, the board shall show that the excess is reasonably necessary. In the event the actual cost of processing an application up to the board's final decision to designate a route exceeds the above fee schedule, the board may assess the applicant any additional fees necessary to cover the actual costs, not to exceed an amount equal to \$500 per mile length of the longest proposed route. All money received pursuant to this subdivision shall be deposited in the general fund. So much money as is necessary is annually appropriated from the general fund to pay expenses incurred in processing applications for construction permits in accordance with sections 116C.51 to 116C.69 and in the event the expenses are less than the fee paid, to refund the excess to the applicant. This annual appropriation shall not exceed the fees to be paid during each period.

Subd. 3. [FUNDING; ASSESSMENT.] The board shall finance its base line studies, general environmental studies, development of criteria, inventory preparation, monitoring of conditions placed on site certificates and construction permits, and all other work, other than specific site, corridor, and route selection, designation from an assessment made annually by the board against all utilities. Each share shall be determined as follows: (1) the ratio that the annual retail kilowatt-hour sales in the state of each utility bears to the annual total retail kilowatt-hour sales in the state of all such utilities, multiplied by 0.667, plus (2) the ratio that the annual gross revenue from retail kilowatt-hour sales in the state of each utility bears to the annual total gross

revenues from retail kilowatt-hour sales in the state of all such utilities, multiplied by 0.333, as determined by the board. Such ~~Such~~ The assessment shall be credited to the general fund and shall be paid to the state treasury within 30 days after receipt of the bill, which shall constitute notice of said assessment and demand of payment thereof. The total amount which may be assessed to the several utilities under authority of this subdivision shall not exceed the annual budget of the board for carrying out the purposes of this subdivision.

Sec. 26. [EMERGENCY RULES.] *The environmental quality board is authorized and directed to promulgate emergency rules pursuant to section 15.0412, subdivision 5, within 90 days of the effective date of this act, concerning the procedures for the revocation or suspension of a construction permit or a certificate of site compatibility and the procedure for designation of a route, including the manner and timeliness of proposing alternative routes, route designation considerations and route exemption criteria and procedures.*

The chief hearing examiner is authorized and directed to promulgate emergency rules pursuant to section 15.0412, subdivision 5, within 30 days of the effective date of this act, establishing procedures for public hearings relating to the designation and exemption of routes. The rules shall attempt to maximize citizen participation in the route designation and exemption process.

Any emergency rules authorized by this section shall be effective until either January 1, 1978, or until the board and the chief hearing examiner adopt permanent rules pursuant to chapter 15, whichever occurs first.

Sec. 27. *Minnesota Statutes 1976, Sections 116C.55, Subdivision 1; and 116C.56, are repealed.*

Sec. 28. *Except as herein provided, this act is effective the day following its final enactment. Any corridor, route or site application filed or any public hearing or other proceeding pursuant to sections 116C.51 to 116C.69 initiated or conducted prior to the effective date of this act shall be considered, conducted and acted upon in accordance with the law and rules in effect prior to the effective date of this act. Any route or site application filed or any public hearing or other proceeding pursuant to sections 116C.51 to 116C.69 initiated or conducted subsequent to the effective date of this act shall be postponed until the completion of the emergency rules authorized in section 26, at which time it shall be considered, conducted and acted upon in accordance with sections 116C.51 to 116C.69, as amended by this act, and the emergency or permanent rules adopted pursuant to sections 22 or 26 of this act. Section 18 is effective January 1, 1978."*

Further, amend the title by striking in its entirety and inserting:

"A bill for an act relating to the establishment of a power plant site and transmission line route selection authority in the environmental quality board; eliminating the corridor designation process; clarifying certain procedures; authorizing certain

options concerning the amount of land to be condemned and annual payments for owners of land condemned for routes or sites; requiring utilities to make additional annual payments to owners of property crossed by a route; requiring the board and the office of hearing examiners to adopt emergency and permanent rules; authorizing the board to revoke or suspend permits; specifying amounts for route application fees; providing penalties; amending Minnesota Statutes 1976, Sections 116C.52, Subdivisions 3 and 7, and by adding subdivisions; 116C.53; 116C.54; 116C.55, Subdivisions 2 and 3; 116C.57; 116C.58; 116C.59, Subdivision 1, and by adding subdivisions; 116C.61, Subdivisions 2 and 3; 116C.62; 116C.63; 116C.64; 116C.65; 116C.66; 116C.67; 116C.68; and 116C.69; and Chapter 116C, by adding a section; repealing Minnesota Statutes 1976, Sections 116C.55, Subdivision 1; and 116C.56."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Gene Merriam, Jerald C. Anderson, William P. Luther, Wayne Olhoft, Robert G. Dunn.

House Conferees: (Signed) Harry Sieben, Willard Munger, Wesley Skoglund, Gene Wenstrom, John Biersdorf.

Mr. Merriam moved that the foregoing recommendations and Conference Committee Report on S. F. No. 896 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. 896: A bill for an act relating to the establishment of a power plant site and transmission line route selection authority in the environmental quality board; eliminating the corridor designation process; clarifying certain procedures; authorizing certain options concerning the amount of land to be condemned and annual payments for owners of land condemned for routes or sites; requiring the board and the office of hearing examiners to adopt emergency and permanent rules; authorizing the board to revoke or suspend permits; specifying amounts for route application fees; providing for a property tax credit for land crossed by high voltage transmission lines; providing penalties; amending Minnesota Statutes 1976, Sections 116C.52, Subdivisions 3 and 7, and by adding subdivisions; 116C.53; 116C.54; 116C.55, Subdivisions 2 and 3; 116C.57; 116C.58; 116C.59, Subdivision 1, and by adding subdivisions; 116C.61, Subdivisions 2 and 3; 116C.62; 116C.63; 116C.64; 116C.65; 116C.66; 116C.67; 116C.68; 116C.69; 273.42; 276.04; and Chapters 116C, by adding a section; and 273, by adding a section; repealing Minnesota Statutes 1976, Sections 116C.55, Subdivision 1; and 116C.56.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 48 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Lewis	Peterson	Stokowski
Benedict	Hughes	Luther	Pillsbury	Strand
Borden	Humphrey	Menning	Schaaf	Stumpf
Brataas	Jensen	Merriam	Schmitz	Tennessee
Coleman	Johnson	Moe	Schrom	Ulland, J.
Davies	Kirchner	Nelson	Setzepfandt	Vega
Dieterich	Kleinbaum	Olhoft	Sikorski	Wegener
Dunn	Knoll	Olson	Solon	Willet
Gearty	Laufenburger	Penny	Spear	
Gunderson	Lessard	Perpich	Staples	

Messrs. McCutcheon and Sieloff voted in the negative:

So the bill, as amended by the Conference Committee, was re-passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 971 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 971

A bill for an act relating to probate; registrars; specifying certain powers of registrars; amending Minnesota Statutes 1976, Section 524.1-307.

May 20, 1977

The Honorable Edward J. Gearty
President of the Senate

The Honorable Martin O. Sabo
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 971 report that we have agreed upon the items in dispute and recommend as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1976, Section 291.07, is amended to read:

291.07 [DEDUCTIONS.] Subdivision 1. In determining the tax imposed by section 291.01, where the estate has been submitted to the jurisdiction of the court, a personal representative has been appointed for the estate, or where a decree of descent for the estate has been entered under section 525.31 or where there have been summary proceedings for the estate if under section 525.51, the following deductions shall be allowed if approved by the court in a formal proceeding:

- (1) funeral expenses
- (2) probate administration expenses, including but not limited to expenses incurred during administration in converting real and personal property held by the estate into cash
- (3) expenses of last illness unpaid at death

(4) valid claims against the decedent which have been properly paid

(5) family maintenance to the extent provided by section 291.10

(6) value of personal property to the extent of the amount allowed under the provisions of section 525.15

(7) federal estate taxes determined as follows:

(a) the value of the net estate taxable in Minnesota reduced by the deduction allowable for transfer for public, charitable and religious use as prescribed by Internal Revenue Code, Section 2055 and by the marital deduction as prescribed by Internal Revenue Code, Section 2056, shall be the numerator of a fraction;

(b) the denominator of the fraction shall be the value of the net estate everywhere reduced by the same class of deductions allowable in subparagraph (a) above;

(c) the ratio of the fraction so derived shall be multiplied by the federal estate tax due and payable to the United States Treasury.

(d) for purposes of this clause, the net estate is defined as the gross value of the estate on the applicable valuation date reduced by any unpaid mortgages on, or any indebtedness in respect of, property where the decedent's interest therein, undiminished by such mortgage or indebtedness, is included in the value of the gross estate.

(8) other taxes which have accrued and are a lien on property in the estate at the time of death

(9) reasonable fees for legal or fiduciary services incident to non-probate assets

(10) Minnesota and federal income taxes on "income in respect of a decedent," as computed under subdivision 3.

Subd. 2. In determining the tax imposed by section 291.01, where an estate has not been submitted to the jurisdiction of the court, the following deductions shall be allowed:

(1) funeral expenses,

(2) expenses of last illness unpaid at death,

(3) federal estate taxes determined as follows:

(a) the value of the net estate taxable in Minnesota reduced by the deduction allowable for transfer for public, charitable and religious use as prescribed by Internal Revenue Code, Section 2055 and by the marital deduction as prescribed by Internal Revenue Code, Section 2056, shall be the numerator of a fraction;

(b) the denominator of the fraction shall be the value of the net estate everywhere reduced by the same class of deductions allowable in subparagraph (a) above;

(c) the ratio of the fraction so derived shall be multiplied by the federal estate tax due and payable to the United States Treasury;

(d) for purposes of this clause, the net estate is defined as the gross value of the estate on the applicable valuation date reduced by any unpaid mortgages on, or any indebtedness in respect of, property where the decedent's interest therein, undiminished by such mortgage or indebtedness, is included in the value of the gross estate;

(e) apportionment of the federal estate tax to the individual transferees shall be subject to the provisions of section 524.3-916.

(4) value of personal property to the extent of the amount allowed under the provisions of section 525.15. A formal order of the probate court is not necessary before these deductions may be taken in the computation of the tax,

(5) other taxes which have accrued and are a lien on property in the estate at the time of death,

(6) reasonable fees for legal or fiduciary services incident to non-probate assets,

(7) Minnesota and federal income taxes on "income in respect of a decedent," as computed under subdivision 3.

Where an estate has not been submitted to the probate court, deductions under (1), (2), (3) and (6) heretofore shall be allowed only to the persons actually having disbursed moneys for payments, and shall not exceed the net amount of such disbursements after giving credit for death benefits, medical and hospitalization insurance payments.

No deduction shall be allowed unless the person claiming the deduction when requested by the probate court or the commissioner, furnishes the court or the commissioner with information sufficient to enable the court or commissioner to determine the validity or correctness thereof.

Subd. 2a. The deductions set forth in subdivision 1 shall be allowed where the estate has been submitted to the jurisdiction of the court and the deductions taken in estates that have not been approved by the court in a formal proceeding. The deductions taken shall be submitted to the commissioner prior to the closing of the estate. The deductions shall be allowed unless the commissioner objects to any deduction claimed. The objection shall be made in the manner provided by section 291.09, subdivision 1.

Subd. 3. (a) The Minnesota and federal income tax allowed as deductions under subdivision 1, clause (10) and subdivision 2, clause (7) shall be computed as follows:

The table of rates required to be used by single taxpayers who itemize their allowable deductions shall be applied to the "income in respect of a decedent" as though such "income in respect of a decedent" constituted the entire income of the decedent taxable after giving effect to all allowable deductions. The amount of Min-

nesota or federal income tax as so computed shall not be diminished by any credits allowable by Minnesota or federal income tax laws.

(b) The deductions allowed herein shall be the only deductions allowed under this chapter for "income in respect of a decedent," without regard to the actual liability for income taxes that may be due and payable subsequently with respect to such "income in respect of a decedent."

Sec. 2. Minnesota Statutes 1976, Section 524.1-307, is amended to read:

524.1-307 [REGISTRAR; POWERS.] The acts and orders which chapter 524 specifies as performable by the registrar shall be performed by a judge of the court or by a person, including the clerk, designated by the court by a written order filed and recorded in the office of the court.

In addition to acts specified in this chapter to be performed by the registrar, the registrar may take acknowledgements, administer oaths, fix and approve bonds, provide information on the various methods of transferring property of decedents under the laws of this state, issue letters in informal proceedings and perform such other acts as the court may by written order authorize as necessary or incidental to the conduct of informal proceedings. Letters, orders and documents issued by the registrar may be certified, authenticated or exemplified by the registrar or in the same manner as those issued by the court. All files shall be maintained by the clerk of court. The probate registrar shall not render advice calling for the exercise of such professional judgment as constitutes the practice of law.

Sec. 3. Minnesota Statutes 1976, Section 524.3-108, is amended to read:

524.3-108 [PROBATE, TESTACY AND APPOINTMENT PROCEEDINGS; ULTIMATE TIME LIMIT.] No informal probate or appointment proceeding or formal testacy or appointment proceeding, other than a proceeding to probate a will previously probated at the testator's domicile and appointment proceedings relating to an estate in which there has been a prior appointment, may be commenced more than three years after the decedent's death, except (1) if a previous proceeding was dismissed because of doubt about the fact of the decedent's death, appropriate probate, appointment or testacy proceedings may be maintained at any time thereafter upon a finding that the decedent's death occurred prior to the initiation of the previous proceeding and the applicant or petitioner has not delayed unduly in initiating the subsequent proceedings; (2) appropriate probate, appointment or testacy proceedings may be maintained in relation to the estate of an absentee, or disappeared or missing person, at any time within three years after the death of the absentee or disappeared or missing person is established; and (3) a proceeding to contest an informally probated will and to secure appointment of the person with legal priority for appointment in the event the contest is

successful, may be commenced within the later of twelve months from the informal probate or three years from the decedent's death. These limitations do not apply to proceedings to construe probated wills, determine heirs of an intestate, or proceedings to determine descent. In cases under (1) or (2) above, the date on which a testacy or appointment proceeding is properly commenced shall be deemed to be the date of the decedent's death for purposes of other limitations provisions of this chapter which relate to the date of death. *Nothing herein contained prohibits the formal appointment of a special administrator at any time for the purposes of reducing assets to possession, administering the same under direction of the court, or making distribution of any residue to the heirs or distributees determined to be entitled thereto pursuant to a descent proceeding under section 525.31 or an exempt summary proceeding under section 525.51, even though the three year period above referred to has expired.*

Sec. 4. *This act is effective the day following final enactment as to all informal proceedings commenced after January 1, 1976.*"

Further amend the title by striking in its entirety and inserting:

"A bill for an act relating to probate; registrars; specifying certain powers of registrars; amending Minnesota Statutes 1976, Sections 291.07; 524.1-307 and 524.3-108."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Jack Davies, Roger E. Strand and John B. Keefe.

House Conferees; (Signed) Robert Ellingson, Neil Haugerud and Tom Stoa.

Mr. Davies moved that the foregoing recommendations and Conference Committee Report on S. F. No. 971 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. 971: A bill for an act relating to probate; registrars; specifying certain powers of registrars; amending Minnesota Statutes 1976, Section 524.1-307.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 46 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Dieterich	Hughes	Kleinbaum	Luther
Benedict	Dunn	Humphrey	Knoll	Menning
Borden	Gearty	Jensen	Laufenburger	Merriam
Brataas	Gunderson	Johnson	Lessard	Nelson
Davies	Hanson	Kirchner	Lewis	Olhoft

Olson	Purfeerst	Sieloff	Strand	Willet
Penny	Schaaf	Sikorski	Stumpf	
Perpich	Schmitz	Solon	Tennessee	
Peterson	Schrom	Spear	Ulland, J.	
Pillsbury	Setzepfandt	Staples	Wegener	

So the bill, as amended by the Conference Committee, was re-passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 1337 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1337

A bill for an act relating to state employees; providing for wage and fringe benefits for certain state employees; ratifying collective bargaining agreements; providing emergency rule making authority; increasing salary ranges; appropriating money; amending Minnesota Statutes 1976, Chapter 43, by adding a section; Sections 43.09, Subdivision 3; 43.12, Subdivisions 2, 3, 5, 6, 7, 8, 10, 11, 14, 16, 17; and 18, and by adding a subdivision; 43.121, Subdivision 3; 43.122, Subdivision 3, and by adding a subdivision; 43.126, Subdivision 1; 43.323, by adding a subdivision; 43.42; 43.44, Subdivision 1; 43.46; and 43.50, Subdivision 1; repealing Minnesota Statutes 1976, Sections 43.09, Subdivision 7; and 43.12, Subdivisions 4 and 9.

May 21, 1977

The Honorable Edward J. Gearty
President of the Senate

The Honorable Martin O. Sabo
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1337, 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. 1337 be further amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [TEMPORARY PROVISION; WAGE AND ECONOMIC FRINGE BENEFITS; AGREEMENTS APPROVED.] *Within the funds appropriated for the purpose by the 70th legislature and except as may otherwise be provided in this act, the commissioner of personnel is authorized to implement those provisions of agreements negotiated and executed on or before May 15, 1977, with the Minnesota state employees union, American federation of state, county and municipal employees, council No. 6, the Minnesota teamsters public and law enforcement employees union, local No. 320, the international union of operating engineers, locals No. 34, No. 49 and No. 808, the association of institutional dentists, the bureau of criminal apprehension agents association, the professional employee pharmacists of Minnesota, the middle management association, the state residential schools*

education association, the Minnesota conservation officers association, the independent Minnesota association of government employees, the bureau of criminal apprehension association of forensic scientists, the Minnesota highway patrol officers' association, and the Minnesota administrative hearing officers association which establish wage and economic fringe benefits. A state employee whose exclusive representative, as defined by section 179.63, subdivision 6, has not executed an agreement with the state covering wages and economic fringe benefits on or before May 15, 1977, shall not receive the wage and economic fringe benefit increases provided by this act.

Sec. 2. Minnesota Statutes 1976, Section 43.067, Subdivision 3, as amended by Laws 1977, Chapter 35, Section 3, is amended to read:

Subd. 3. [MEDICAL DOCTORS EXEMPTED.] *Salaries of medical doctors who are occupying positions which the commissioner of personnel determines require an M.D. degree and who are paid under the provisions of section 43.126, or who are employed by political subdivisions in positions that the governing body of the political subdivision has determined require an M.D. degree, shall be excluded from the limitation provided in this section.*

Sec. 3. Minnesota Statutes 1976, Section 43.067, Subdivision 4, as added by Laws 1977, Chapter 35, Section 3, is amended to read:

Subd. 4. [LIMIT ON POLITICAL SUBDIVISION SALARIES.] *Notwithstanding any other law to the contrary, no salary of a person employed by a city, county, town, school district, metropolitan or regional agency, or other political subdivision of the state may exceed the salary of the commissioner of finance plus the maximum permissible achievement award under section 43.069.*

Sec. 4. [TEMPORARY PROVISION.] *Any salary increase above the maximum permitted on July 1, 1977, by section 3 which is granted to the chief administrator of any city, county, town, school district, metropolitan or regional agency, or other political subdivision between December 1, 1976 and July 1, 1977 is invalid. A person whose salary which was in effect prior to December 1, 1976, and which is in excess of the amount permitted by section 3 shall not suffer a decrease in salary as a result of this act.*

Sec. 5. Minnesota Statutes 1976, Section 43.323, is amended by adding a subdivision to read:

Subd. 3. [RULE SUSPENSION.] *The commissioner of personnel shall identify those rules he has promulgated pursuant to chapter 15 which are in conflict with the provisions of a collective bargaining agreement negotiated in accordance with sections 179.61 to 179.77 and notwithstanding the provisions of chapter 15, shall suspend those rules and promulgate emergency rules to be effective for a period not exceeding 180 days during which time the commissioner shall repeal, suspend or modify the temporarily suspended rules in accordance with chapter 15.*

Sec. 6. Minnesota Statutes 1976, Section 43.09, Subdivision 3, is amended to read:

Subd. 3. [LABOR SERVICE.] All positions involving unskilled labor shall constitute a labor service. The commissioner shall designate the class or classes of positions which shall comprise the labor service and create rules for that service designed to expedite and make more economical the personnel processes in such service. Any appointments which shall be for a total period of not to exceed seven months in any calendar year appointment to the labor service is not subject to the appointment provisions of subdivision 4 and may be made by the appointing authority not subject to without other approval, providing payroll notice of such employment is regularly made to the department of personnel. *Employees in the labor service who are employed for a total of six months within a 12 month period shall receive the same civil service status given by chapter 43 to permanent classified employees of the state and shall be known as tenured laborers.*

Sec. 7. Minnesota Statutes 1976, Section 43.12, Subdivision 2, is amended to read:

Subd. 2. [SALARY RANGES.] The following procedure will be used in establishing rates of pay for all state employees in the classified civil service whose positions are assigned to classes in the professional salary schedule, which schedule shall be known as salary schedule "A". Classes shall be assigned salary ranges within an area of compensation beginning at a prescribed minimum monthly rate of pay and extending upward by a maximum of 20 33 additional salary increments. Salary range assignments for each class of employment in this schedule shall include no more than ten salary steps. Effective July 9, 1975 6, 1977, the prescribed minimum monthly rate of pay shall be \$825 \$932. The maximum monthly rate of pay shall be \$2,672 \$3,394.

Sec. 8. Minnesota Statutes 1976, Section 43.12, Subdivision 3, is amended to read:

Subd. 3. All employees whose rates of pay are established according to salary schedule "A", effective July 9, 1975 6, 1977, shall be advanced in salary from their rate of pay and step in salary range immediately preceding that date to the comparable step in the new salary range for their class or to the new minimum rate of pay for their class, whichever rate is greater.

Employees who are paid at a rate which exceeds the maximum rate established for their class prior to July 6, 1977, but whose rate falls within the new range for their class, shall be assigned to the maximum of the new range. In the event the maximum rate established for a classification as of July 6, 1977, is equal to or less than the employee's salary on July 5, 1977, no adjustment shall be made; however, the employee shall suffer no reduction in pay and shall continue at his rate of pay as of July 5, 1977.

Sec. 9. Minnesota Statutes 1976, Section 43.12, Subdivision 5, is amended to read:

Subd. 5. The following procedure shall be used to establish rates of pay for all state employees in the classified civil service whose positions are assigned to classes in the maintenance and

related trade schedule, which schedule shall be known as salary schedule "B". Classes shall be assigned an orientation and base rate, one consecutive wage step apart. The orientation rate shall be paid during the first six calendar months of service and the base rate shall be paid commencing at the beginning of the pay period nearest the completion of six calendar months of service. In assigning rates of pay to classes of work covered by this schedule, the commissioner shall give primary consideration to the median of rates paid by other public and private employers for similar types of work. Supplementary pay practices shall be evaluated and costs considered in comparing the rates being paid by other employers. The commissioner is authorized to establish a percentage differential based upon full annual employment and tenure where such advantages are not common in employment outside of the state service.

Effective July 9, 1975 6, 1977, the minimum hourly rate of pay in the salary schedule "B" shall be ~~\$4.59~~ \$4.71. The schedule shall provide for 14 19 additional wage steps with a maximum rate of ~~\$7.22~~ \$8.21 per hour.

Notwithstanding any provision of chapter 43 to the contrary, the commissioner is authorized to establish (a) hourly equipment rates to provide appropriate compensation to employees intermittently engaged in operating maintenance equipment, (b) an hourly rate to provide appropriate compensation to employees intermittently assigned to first level highway foreman work, and (c) an eight percent differential rate rounded to the nearest cent for journeyman skilled trade classes assigned to salary schedule B and employed at adult institutions of the department of corrections, and (d) a ten cent per hour differential for skilled trade classes assigned to salary schedule B and employed by the department of administration. The commissioner shall establish regulations and procedures to equitably implement such rates.

Sec. 10. Minnesota Statutes 1976, Section 43.12, Subdivision 6, is amended to read:

Subd. 6. All permanent employees with more than six calendar months of service whose rates of pay are established according to salary schedule "B", effective July 9, 1975 6, 1977, shall be advanced in salary to the established base rate for their class.

Employees with less than six calendar months of service whose rates of pay are established according to salary schedule "B", effective July 9, 1975 6, 1977, shall be advanced in salary to the established orientation rate for their class.

Employees who are classified as highway maintenance worker, senior and who are employed by the department of transportation and assigned to the central office and districts 5 and 9 shall, in addition, be granted a one time lump sum payment of \$400.

Employees compensated according to salary schedule "B" whose hourly rate of pay immediately preceding July 9, 1975, exceeds the maximum hourly rate of pay for their class shall be granted a one time lump sum payment of \$300, except for those

employees whose adjustment in their current maximum rate of pay would be \$12.25 or less. The amount of the lump sum payment for those employees whose adjustment would be \$12.25 or less shall be equal to the difference between \$300 and the product of the employee's monthly adjustment multiplied by 24. This payment shall be made in accordance with procedures established by the commissioner of finance.

Employees who are paid at a rate which exceeds the maximum rate established for their class prior to July 6, 1977, but whose rate falls within the new range for their class, shall be assigned to the maximum of the new range. In the event the maximum rate for a classification as of July 6, 1977, is equal to or less than an employee's salary on July 5, 1977, no adjustment shall be made; however, the employee shall suffer no reduction in pay and shall continue at his rate of pay as of July 5, 1977.

Sec. 11. Minnesota Statutes 1976, Section 43.12, Subdivision 7, is amended to read:

Subd. 7. The following procedure shall be used to establish rates of pay for all state employees in the classified civil service whose positions are assigned to classes in the clerical, technical, general service and related salary schedule, which schedule shall be known as salary schedule "C". Classes shall be assigned salary ranges within an area of compensation beginning at a prescribed monthly rate of pay and extending upward 28 34 additional fixed salary increments. Salary range assignments for each class of employment in this schedule shall not include more than seven eight salary steps. Effective July 9, 1975 6, 1977, the prescribed minimum monthly rate of pay shall be \$450 \$456. The maximum monthly rate of pay shall be \$1,050 \$1,409.

Sec. 12. Minnesota Statutes 1976, Section 43.12, Subdivision 8, is amended to read:

Subd. 8. All employees whose rates of pay are established according to salary schedule "C", effective July 9, 1975 6, 1977, shall be advanced in salary from their rate of pay and step in salary range immediately preceding that date, to the next step within the salary range for that classification. An employee whose classification is reassigned to a higher salary range shall, in addition, be adjusted to the comparable step in the new salary range for their his class. These step increases shall not affect an employee's eligibility for normal step progression increases provided by section 43.122, subdivision 3.

Employees who are paid at a rate which exceeds the maximum rate established for their class prior to July 6, 1977, but whose rate falls within the new range for their class, shall be assigned to the maximum of the new range. In the event the maximum rate for a classification as of July 6, 1977, is equal to or less than an employee's salary on July 5, 1977, no adjustment shall be made; however, the employee shall suffer no reduction in pay and shall continue at his rate of pay as of July 5, 1977.

Sec. 13. Minnesota Statutes 1976, Section 43.12, is amended by adding a subdivision to read:

Subd. 8a. [LABOR SERVICE.] The following procedure shall be used to establish rates of pay for all state employees whose positions are assigned to the labor service. The labor service shall consist of four steps. Effective July 6, 1977, the hourly rate of pay for step A shall be \$4.47, for step B \$4.62, for step C \$5.22, and for step D \$5.37.

Tenured laborers who are on the payroll on July 6, 1977, shall be paid at the step D rate.

Non-tenured laborers who are on the payroll on July 6, 1977, and who are paid at the base rate on July 5, 1977, shall be paid at the step D rate. Such employees shall continue to be paid at the step D rate in subsequent years provided that their service in the previous calendar year was 800 hours or more.

Non-tenured laborers who are on the payroll on July 6, 1977, and who were paid at the orientation rate on July 5, 1977, shall be paid at the step C rate. Such employees shall advance to step D after completion of 800 hours of work in the second of two consecutive calendar years in which at least 800 hours at step C are worked; provided, however, that an employee whose service in calendar year 1976 was 800 hours or more shall advance to step D upon the completion of 800 hours in calendar year 1977.

For the purpose of this subdivision, service requirements must be fulfilled with the same appointing authority, at the same principal place of employment and performing similar work. Advancement to the next higher step shall be effective at the beginning of the first payroll period following completion of the service requirements.

Non-tenured laborers who are not on the payroll on July 6, 1977 but who have worked 800 hours or more in the 12 months immediately preceding July 6, 1977, and who return to work in the labor service prior to July 1, 1978 with the same appointing authority, at the same principal place of employment and to perform similar work, shall be paid at the rate which they would have received and advanced in pay in the same manner as if they had been on the payroll on July 6, 1977.

Tenured laborers whose employment relationship is severed and non-tenured laborers who in any calendar year fail to meet the service and hour requirements of this subdivision shall be subject to the hiring and advancement provisions of section 43.122, subdivision 5 if they are subsequently reappointed to the labor service.

Sec. 14. Minnesota Statutes 1976, Section 43.12, Subdivision 10, is amended to read:

Subd. 10. [COST OF LIVING ADJUSTMENT.] For each full four-tenths point increase in the consumers price index for urban wage earners and clerical workers for Minneapolis-St. Paul, as published by the Bureau of Labor Statistics for the months of

January, 1975 1977 , and October, 1975 1977 , new series index (1967=100), all monthly rates of pay in the "A" and special teacher salary schedules shall be increased by two tenths of one percent, rounded to the nearest dollar and all hourly rates of pay in the "A", "B", and "C", special teacher, and labor service salary schedules shall be increased by one cent per hour.

The increase, if any, in wages and salaries generated by this formula shall be effective January 7, 1976 4, 1978 , and shall continue in effect until July 7, 1976 5, 1978 .

A redetermination of the cost of living allowance shall be made in for April, 1976 1978 . For each full four-tenths point increase in the consumer price index for urban wage earners and clerical workers for Minneapolis-St. Paul, as published by the Bureau of Labor Statistics for the months of January, 1975 1977 , through and April, 1976 1978 , all monthly rates of pay in the "A", and special teacher salary schedules shall be increased by two-tenths of one percent, rounded to the nearest dollar and all hourly rates in the "B", and "C", special teacher, and labor service salary schedules shall be increased by one cent per hour. The increase, if any, in wages and salaries generated by this redetermination shall be effective July 7, 1976, 5, 1978 and shall continue in effect until January 5, 1977 .

A redetermination of the cost of living allowance shall be made in October, 1976. For each full four-tenths point increase in the consumer price index for urban wage earner and clerical workers for Minneapolis-St. Paul, as published by the Bureau of Labor Statistics for the months of January, 1975, through October, 1976, all monthly rates of pay in the "A" and special teacher salary schedules shall be increased by two-tenths of one percent, rounded to the nearest dollar and all hourly rates in the "B" and "C" salary schedules shall be increased by one cent per hour. The increase, if any, in wages and salaries generated by this redetermination shall be effective January 5, 1977.

During periods when such cost of living allowance is in effect, it shall be added to the applicable basic hourly and monthly rates of pay of each employee, including those that are above the maximum step of their range, and treated as a part thereof in all calculations involving employees' pay. *Cost of living adjustments are not cumulative and allowances paid under an earlier determination shall cease when a re-determination takes effect.*

Sec. 15. Minnesota Statutes 1976, Section 43.12, Subdivision 11, is amended to read:

Subd. 11. The commissioner of administration may direct the commissioner of finance to shall transfer to the various departments and agencies the necessary amounts to finance subdivision 10 and section 43.121, subdivision 3 . These transfers shall be from such accounts and funds from which each department or agency receives its revenue, including appropriations from the general fund and from any other fund, now or hereafter existing for the payment of salaries and in the same proportion as it

pays therefrom the amounts of such salaries. Such sums of money as are necessary for such purposes are hereby appropriated to such departments or agencies from such account and fund in the state treasury. In order to enable the commissioner of finance to maintain proper records covering the appropriations for cost of living adjustments and insurance benefit increases, he may require certification as he deems necessary from any state agency, the Minnesota historical society, or the university of Minnesota of the amounts needed to pay these adjustments and increases. The accounts and funds referred to from which agencies receive appropriations under the terms of this section are hereby declared to be a source of revenue for the purposes of any other law or statutory enactment.

Sec. 16. Minnesota Statutes 1976, Section 43.12, Subdivision 14, is amended to read:

Subd. 14. Except as otherwise provided in this section for classification reassignments effective July 6, 1977, no class will be reassigned to a higher salary range by the commissioner during the 1975-1977 1977-1979 biennium.

Sec. 17. Minnesota Statutes 1976, Section 43.12, Subdivision 16, is amended to read:

Subd. 16. Effective July 9, 1975, employees whose positions are assigned to classes in the A, B, C, labor service, and special teachers salary schedules working an assigned shift that begins before 6:00 a.m. or which ends on or after 7:00 p.m. shall receive a shift differential of 15 cents per hour for all hours worked on that shift in addition to their regular rate of pay. Such differential shall be included in all payroll computations for hours worked but shall not apply during periods of paid leave.

Employees working the regular day schedule who are required to work overtime or who are called back to work for special projects shall not be eligible for the shift differential.

Sec. 18. Minnesota Statutes 1976, Section 43.12, Subdivision 17, is amended to read:

Subd. 17. [SEVERANCE PAY.] Effective July 1, 1975 1977, any ~~permanent~~ employee who is separated from the state classified civil service by reason of death, mandatory retirement, retirement under a state retirement program after ten years of state employment, or layoff, excluding seasonal layoffs, or who is separated after completing 20 years of state service, or who retires under a state retirement program after completing ten years of state service shall be entitled upon such separation, to pay in an amount equal to ~~30~~ 40 percent, except for community college and state university system faculty employees who shall receive 25 percent of the employee's regular accumulated but unused sick leave balance at the time of separation. Effective July 1, 1976, Severance pay shall be computed upon 40 percent, except for community college and system faculty employees and for state university system faculty employees whose appointment and salary are based upon a nine month academic year shall receive

be 30 35 percent of the employee's regular accumulated but unused sick leave balance. The provisions of this subdivision shall apply to unclassified employees in the same manner as they apply to employees in the classified civil service.

Should any employee who has received severance pay be subsequently reappointed to state service, eligibility for future severance pay shall be computed upon the difference between the amount of accumulated but unused sick leave to the employee's credit at the time the employee was separated and the amount of accumulated but unused sick leave balance at the time of the employee's subsequent eligibility for severance pay.

The base for computing the severance pay provided for in this clause shall not exceed 800 900 hours *except for community college and state university system faculty employees whose base shall not exceed 112 days*, nor shall said base include lapsed sick leave hours as defined by departmental rules and regulations.

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.

Sec. 19. Minnesota Statutes 1976, Section 43.12, Subdivision 18, is amended to read:

Subd. 18. The commissioner is hereby empowered to establish by rule an injured on duty compensation plan for certain classes of state employees in hazardous or dangerous classes of employment *and for special teachers employed by the departments of corrections and public welfare and by the department of education at the Minnesota School for the Deaf and the Minnesota Braille and Sight Saving School*. Said plan shall not be subject to the limitations contained in section 176.021, subdivision 5.

Sec. 20. Minnesota Statutes 1976, Section 43.121, Subdivision 3, is amended to read:

Subd. 3. Notwithstanding the provisions of this section, the commissioner may assign the classes of employment which require teaching in an established school program in the department of education and institutions of the state under the jurisdiction of the department of public welfare and the department of corrections to salary ranges, which he is hereby authorized to establish. Whenever the commissioner assigns classes of employment which require teaching in an established school program to any salary range which he is authorized to establish by this subdivision, he shall prepare schedules showing the salary ranges for each class, or group of positions in the class of positions assigned by him and he shall also prepare schedules showing entrance salaries and step increases based upon educational attainments and length of satisfactory service. The salary ranges

shall include a minimum rate and not more than 12 additional step increases. In assigning ranges of salaries for positions in this category the commissioner shall give consideration to the salary schedules for teachers which are in effect in other units of government of the state. *The commissioner is authorized to establish a schedule of payment for assignments to extra-curricular activities which are in addition to the normal teaching schedule.*

The basic salary for institution educational administrators and supervisors shall be based upon the employee's qualifications and the appropriate academic level of the special teacher salary schedule. However, the commissioner is authorized to establish a percentage differential to compensate for administrative and supervisory responsibilities. Annual length of satisfactory service salary adjustments shall be awarded beginning with the payroll period nearest the anniversary date of the special teacher's, institution educational supervisor's or institution educational administrator's original or promotional appointment to his present class, unless he is notified in writing by the appointing authority that his work has been of a less than satisfactory level.

Sec. 21. Minnesota Statutes 1976, Section 43.122, Subdivision 3, is amended to read:

Subd. 3. (a) Employees in classes assigned to the "A" salary schedule may receive a one step salary increase annually, at the beginning of the first full payroll period nearest their anniversary date, to the position rate in their salary range, provided performance is satisfactory as indicated by their appointing authority.

The position rate shall be as follows:

10 step salary range — 6th step

9 step salary range — 5th step

8 step salary range — 5th step

7 step salary range — 4th step

6 step salary range — 4th step

5 step salary range — 4th step

4 step salary range — 3rd step

3 step salary range — 3rd step

Beyond the position rate, employees may receive one step satisfactory performance increases biennially, at the beginning of the first full payroll period nearest their anniversary date, upon the recommendation of their appointing authority, up to and including the maximum rate of the salary range for their class.

No increases authorized by this subdivision shall be granted by the appointing authority until an appropriate employee evaluation program is filed with the commissioner. Authorized increases shall be recommended in the context of performance measured against specific performance standards or objectives.

Appointing authorities shall not recommend increases for those employees in this schedule who have not met, or only marginally attained, performance standards or objectives. Increases withheld may subsequently be granted by the appointing authority upon certification to the commissioner that the employee is achieving performance standards or objectives.

(b) Employees in classes assigned to the "C" salary schedule shall progress through the salary range for their class according to the following procedure:

Employees compensated at the first step in their salary range shall be advanced to the second step at the beginning of the first full payroll period nearest the completion of six calendar months of satisfactory service at the first step. Employees compensated at the second step in their salary range shall be advanced to the third step at the beginning of the first full payroll period nearest the completion of six calendar months of satisfactory service at the second step.

Employees compensated at or beyond the third step in their salary range shall advance to the next highest rate in their salary range at the beginning of the first full payroll period nearest completion of each subsequent 12 calendar months of satisfactory service until the maximum rate of pay is attained.

Employees compensated at the maximum step in their range or above shall receive no salary adjustments under the provisions of this subdivision.

(c) Appointing authorities may withhold increases authorized in clause (b). Those employees who will be denied an increase because of unsatisfactory service must be notified in writing. Increases withheld may subsequently be granted by the appointing authority upon certification to the commissioner that the employee has achieved a satisfactory level of performance.

Sec. 22. Minnesota Statutes 1976, Section 43.122, is amended by adding a subdivision to read:

Subd. 5. Employees who are hired after July 5, 1977, for positions assigned to the labor service shall be hired at step A. Such employees shall advance to step B after 800 hours of service within a calendar year; to step C after completion of 800 hours in the second of two consecutive calendar years in which at least 800 hours at step B are worked; and to step D after completion of 800 hours in the second of two consecutive calendar years in which at least 800 hours at step C are worked. Advancement to the next higher step shall be effective at the beginning of the first payroll period following completion of the service requirement. Service requirements must be fulfilled with the same appointing authority, at the same principal place of employment, and performing similar work. Tenured laborers whose employment relationship is severed and non-tenured laborers who fail to meet the service and hour requirements for advancement in any calendar year, shall be considered to be new employees for purposes of this

subdivision if they are subsequently reappointed to the labor service and shall be reappointed at step A.

Sec. 23. Minnesota Statutes 1976, Section 43.126, Subdivision 1, is amended to read:

43.126 [SPECIAL RATES OF PAY.] Subdivision 1. Notwithstanding the provisions of sections 43.12 and 43.121 to 43.123, the following salary ranges are established with annual salaries as shown:

Range A \$22,000 \$29,000 to \$32,000 \$40,500

Range B \$28,000 \$35,500 to \$38,000 \$48,000

Range C \$30,000 \$40,000 to \$45,000 \$57,500

Sec. 24. Minnesota Statutes 1976, Section 43.42, is amended to read:

43.42 [INSURANCE BENEFITS INTENT.] It is the intent of sections 43.42 to 43.49 to provide certain state employees with basic life insurance, *basic dental insurance*, and basic health benefits coverage, including such basic health benefits coverage as the commissioner may make available from prepaid group practice plans, to be paid for by the state and to authorize an eligible state employee to enroll himself, and his dependents in such optional coverages as are made available therefor by the commissioner to be paid for by the employee through payroll deductions. Optional group coverages may include additional life insurance, auto insurance, disability insurance, dental insurance, legal insurance, homeowners insurance, and vision insurance.

Sec. 25. Minnesota Statutes 1976, Section 43.44, Subdivision 1, is amended to read:

43.44 [ENROLLMENT OF ELIGIBLE EMPLOYEES.] Subdivision 1. Every eligible employee meeting the requirements of subdivision 2 shall, at such time, in such manner, and under such conditions of eligibility as the commissioner may by regulation prescribe, be enrolled in the employee life insurance benefits coverage, the hospital benefits coverage, *the dental benefits coverage* and the medical benefits coverage. Such regulations shall be within the framework of intent as set forth in section 43.42.

Sec. 26. Minnesota Statutes 1976, Section 43.46, is amended to read:

43.46 [CONTRIBUTIONS BY STATE.] The total contribution by the state for each state employee under sections 43.42 to 43.49 shall be otherwise prescribed by law and which contribution shall be applied to provide basic hospital benefits, basic medical benefits, *basic dental benefits, an annual health evaluation and screening program* and basic life insurance of such amounts as may be determined from time to time by the commissioner.

Sec. 27. Minnesota Statutes 1976, Section 43.50, Subdivision 1, is amended to read:

43.50 [PAYMENT OF PREMIUMS.] Subdivision 1. Each department of the state government shall pay the amounts due for basic life insurance, *basic dental insurance*, and basic health benefits coverage authorized for eligible state employees as provided by this chapter. *Effective July 1, 1977, each department of the state government shall contribute up to \$58 per year toward the cost of the approved annual health evaluation and screening program for each eligible employee who elects to participate.* Additionally, and notwithstanding any law to the contrary, *effective the first day of the first payroll period commencing on or after July 9, 1975 1, 1977*, each department of the state government shall contribute ~~\$20~~ \$45 per month toward the cost of dependent hospital-medical insurance coverage premiums for their eligible employees who have eligible dependents. *Effective the first day of the first payroll period commencing on or after July 7, 1976 1, 1978*, each department shall ~~contribute \$30 per month~~ pay the full cost for such dependent hospital-medical coverage and, for all eligible employees carrying dependent dental insurance coverage, shall contribute one-half the difference between single and family dental coverage per month except that no department shall pay an amount in excess of the contribution for dependent hospital-medical and dental coverage in effect on June 30, 1979. To enable employees to receive benefit from this provision, open enrollment periods ~~during the full months of August, 1975 from August 15 through September 30, 1977 and from August 15 through September 30, 1976 1978~~, are established. During open enrollment periods employees may enroll their dependents in dental coverage and hospital-medical coverage without proof of insurability. *Effective January 1, 1975 1977*, the state contribution of ~~\$10~~ \$30 per month shall apply to eligible members of the legislature who have eligible dependents. *Effective January 1, 1977 1979*, the increased benefits provided in this section shall apply to eligible members of the legislature who have and their eligible dependents. Each of the departments shall pay such amounts from accounts and funds from which the department receives its revenues, including appropriations from the general fund and from any other fund, now or hereafter existing for the payment of salaries and in the same proportion as it pays therefrom the amounts of salaries. ~~Such sums of money as are necessary for such purposes are hereby appropriated to the departments from such account and funds in the state treasury.~~ In order to enable the commissioner of finance to maintain proper records covering the appropriations made by pursuant to this section, he may require certifications in connection therewith as he may deem necessary from any state department agency, *the Minnesota historical society, or the university of Minnesota* whose employees receive benefits pursuant to this chapter. The accounts and funds referred to from which departments receive appropriations under the terms of this section are hereby declared to be a source of revenue for the purposes of any other law or statutory enactment.

Sec. 28. Minnesota Statutes 1976, Chapter 43, is amended by adding a section to read:

[43.51] [DEATH BENEFIT FOR RETIRED EMPLOYEES.] *Employees who retire from state service on or after July 1, 1977, shall be entitled to a \$500 cash death benefit payable to a beneficiary designated by the employee, if, at the time of the employee's death, the employee is receiving an annuity under a state retirement program.*

Sec. 29. *The commissioner of public safety shall provide that criminal investigators receive a clothing allowance of \$100 per year in lieu of any other clothing allowance pursuant to section 299C.04.*

Sec. 30. *Notwithstanding any provision of this act or chapter 43 to the contrary, the commissioner shall establish, effective from July 6, 1977 to July 3, 1979, a one percent differential rounded to the nearest dollar for the classes crime laboratory analyst 1, crime laboratory analyst 2, crime laboratory analyst 3, and identification officer and a five percent differential rounded to the nearest dollar for employees assigned to the class chemist and employed in the bureau of criminal apprehension, department of public safety.*

Sec. 31. Minnesota Statutes 1976, Section 179.74, Subdivision 5, is amended to read:

Subd. 5. *The commissioner of personnel is authorized to and may enter into agreements. The provisions of said agreements which establish wages and economic fringe benefits shall be submitted to the legislature to be accepted, rejected or modified. A state employee whose exclusive representative, as defined by section 179.63, subdivision 6, has not executed an agreement with the state covering wages and economic fringe benefits on or before May 15 of each odd numbered year shall not receive the wage and economic fringe benefit increases provided pursuant to an agreement executed under this subdivision.*

Sec. 32. Minnesota Statutes 1976, Section 299D.03, Subdivision 2, is amended to read:

Subd. 2. [SALARIES.] (1) Each employee other than the chief supervisor, lieutenant colonel, majors, captains, *corporals* and sergeants hereinafter designated shall be known as patrol ~~officers~~ *troopers* . . .

(2) There may be appointed one lieutenant colonel; and such majors, captains, sergeants, *corporals*, and ~~officers~~ *troopers* as the commissioner deems necessary to carry out the duties and functions of the highway patrol. Persons in above named positions shall be appointed by law and have such duties as the commissioner may direct and, except for ~~officers~~ *troopers*, shall be selected from the patrol ~~officers~~ *troopers*, *corporals*, sergeants, captains, and majors who shall have had at least five years' experience as either patrol ~~officers~~ *troopers*, *corporals*, sergeants, or supervisors.

(3) Commencing July 9 6 , 1975 1977 , the salaries for all

members of the highway patrol, except for the chief supervisor shall be as shown in the following table:

		TIME IN RANK					
		TOTAL YEARS OF SERVICE					
	Base Salary	6 Months	1 Year	2 Years	3 Years		
Trooper	\$ 921 \$ 1075	958 1117	997 1163	1037 1209	1079 1257		
		4 thru 6 Years	7 thru 11 Years	12 thru 20 Years		After 20 Years	
Trooper	\$1123 \$1308	1168 1359		1215 1413	1264 1470		
		5 thru 11 Years		12 thru 20 Years		After 20 Years	
Trooper I		\$1168 \$1359		1215 1413	1264 1470		
		10 thru 20 Years		After 20 Years			
Corporal		\$1215 \$1413		1264 1470			
Staff Sergeant						Years	
	7 \$1240 \$1442	8 1265 1471	9 1291 1500	10 1317 1531	11 1345 1561	12 thru 20 1372 1590	after 20 1427 1648

		TIME IN RANK				
	Base Salary	1 Year	2 Years	After 12 Years total Service	After 20 Years total Service	
Captain	\$1500 \$1720	1550 1778	1600 1835	1650 1892	1700 1945	
Major	1725 \$1979	1775 2035		1825 2093	1875 2150	
Lt. Col.	1900 \$2179	1950 2236		2000 2294	2050 2350	

Commencing the first full payroll period after July 1, 1975, the salary rates for all highway patrol officers and sergeants shall be increased by \$15 per month in lieu of receiving any salary differential for working evening and night hours. Employees designated as station sergeants shall receive an additional two three percent

above the current rate rounded to the nearest dollar for the duration of the appointment. Employees permanently assigned exclusively to Twin City metropolitan freeway duty shall be designated freeway troopers and shall be compensated \$25 per month above their current salary when so assigned. Salary increases in accordance with the above schedule shall become effective for the payroll period nearest the employee's anniversary date of employment.

In addition to the rates of pay provided above, all employees compensated according to the above salary table shall be paid a cost of living allowance to be determined and redetermined in the following manner:

The difference, if any, between For each full four-tenths point increase in the consumer price index for urban wage earners and clerical workers for Minneapolis-St. Paul, Minnesota (new series index 1967 = 100) as published for the months July January, 1975 1977, and April October, 1976 1977, by the Bureau of Labor Statistics of the United States Department of Labor shall be computed. For each full four-tenths point increase so computed, two-tenths of one percent rounded to the nearest dollar shall be added to the monthly rate all hourly rates of pay of each trooper, corporal, sergeant, captain, major, and lieutenant colonel. Such cost of living allowance shall be increased by one cent per hour. The increase, if any, in salaries generated by this formula shall become effective the first full payroll period after July 1, 1976 January 4, 1978, and shall continue in effect until the first full payroll period after January 1, 1977 July 5, 1978. A redetermination of the cost of living allowance shall be made in October, 1976, and will involve computation of the difference, if any, between the aforementioned index as published for the base month of July, 1975, and the month of October, 1976 for April, 1978. For each full four-tenths point increase so computed two-tenths of one percent rounded to the nearest dollar shall be added to the monthly rate of pay of each trooper, corporal, sergeant, captain, major and lieutenant colonel as a cost of living allowance. Such cost of living allowance shall become effective the payroll closest to January 1, 1977 in the consumer price index for urban wage earners and clerical workers for Minneapolis-St. Paul, (new series index 1967 = 100) as published for the months of January, 1977, and April, 1978, by the bureau of Labor Statistics, all hourly rates of pay shall be increased by one cent per hour. The increase, if any, in salaries generated by this redetermination shall be effective July 5, 1978. For the purpose of this clause, the term "hourly rate of pay" means the monthly salary of a rank set forth herein divided by 174.

During periods when such cost of living allowance is in effect, it shall be added to the applicable monthly rates of pay for highway patrol trooper, corporal, sergeant, captain, major and lieutenant colonel, and treated as a part thereof in all calculations involving employees' pay. Cost of living adjustments are not cumulative and allowances paid under an earlier determination shall cease when a redetermination takes effect.

The ~~commissioner of administration~~ may direct the commissioner of finance to *shall* transfer to the department of public safety the necessary amount to finance the increased cost of the cost of living provisions of this clause. This amount is appropriated from the trunk highway fund to the department of public safety for this purpose.

(4) Upon promotion, the person will be paid at the base salary rate of pay in effect for that rank, and shall subsequently be eligible for the time in rank increases calculated from the effective date of promotion.

(5) Any time in rank increases in salary provided for in the tables in clause (3), shall be effective for the payroll period nearest the employee's anniversary date of employment.

The salary rates for all highway patrol ~~officers troopers, corporals~~ and sergeants as cited in clause (3) shall be deemed to include reimbursement for *shift differential*, meal and business expenses incurred by highway patrol ~~officers troopers, corporals~~ and sergeants in the performance of their assigned duties in their patrol areas; business expenses include, but are not limited to: uniform costs, home garaging of squad cars and maintenance of home office.

Sec. 33. Minnesota Statutes 1976, Section 299D.03, Subdivision 3, is amended to read:

Subd. 3. [AIR PATROL; SALARY ADJUSTMENT.] The commissioner of public safety may *shall* increase the salary of any member of the Minnesota highway patrol in an amount not to exceed \$215 \$140 per month for operation of fixed wing aircraft and \$290 \$175 per month for operation of helicopter during the period in which such member of the patrol is assigned air patrol duty. The commissioner of public safety may appoint, from among the members of the patrol assigned to air patrol duty, a chief pilot who may *shall* receive \$50 \$125 per month in addition to the air patrol duty salary differential permitted by this subdivision, during the period of his assignment as chief pilot.

Sec. 34. Minnesota Statutes 1976, Section 422A.09, is amended by adding a subdivision to read:

Subd. 4. *The exempt class shall also consist of persons filling the positions of Minneapolis city coordinator and assistant city coordinator, provided that any such person 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. If a person filling the position of city coordinator or assistant city coordinator does not elect to become a member of the contributing class, the city of Minneapolis may pay to such person, in addition to the salary allowed under any limitations imposed upon salaries by any law, an amount equal to what would be the employer's contribution for normal costs to the retirement fund if the employee was a member of the contributing class, provided that such employee*

agrees that the additional salary shall be deposited by the city in a deferred compensation program.

Sec. 35. [REVISOR'S INSTRUCTIONS.] *In respect to a collectively bargained contract with the state covering a period beginning on and after July 1, 1979, the revisor of statutes shall provide the chairpersons of the main policy committee in each body of the legislature charged with the responsibility of legislative oversight of state employee contract provisions and the legislative reference library with a copy of the contract showing additions and deletions from contract language in effect for the immediately preceding contract period. Where appropriate, the revisor shall consolidate provisions which are identical from contracts of two or more bargaining units.*

Sec. 36. [REPEALER.] *Minnesota Statutes, 1976, Sections 43.09, Subdivision 7; 43.12, Subdivisions 4 and 9; and 299D.03, Subdivision 3a, are repealed.*

Sec. 37. [EFFECTIVE DATE.] *Sections 2, 3 and 34 are effective July 1, 1977. Section 4 is effective the day following final enactment. The remaining sections are effective the first day of the first payroll period commencing on or after July 1, 1977."*

Further, amend the title by deleting it in its entirety and inserting:

"A bill for an act relating to the operation of state government; providing for wage and fringe benefits for certain state employees; ratifying collective bargaining agreements; providing emergency rule making authority; increasing salary ranges; limiting salary increases of certain political subdivision employees; placing time limitations on the execution of negotiated agreements; appropriating money; amending Minnesota Statutes 1976, Sections 43.067, Subdivisions 3 and 4, as amended; 43.09, Subdivision 3; 43.12, Subdivisions 2, 3, 5, 6, 7, 8, 10, 11, 14, 16, 17, and 18, and by adding a subdivision; 43.121, Subdivision 3; 43.122, Subdivision 3, and by adding a subdivision; 43.126, Subdivision 1; 43.323, by adding a subdivision; 43.42; 43.44, Subdivision 1; 43.46; 43.50, Subdivision 1; 179.74, Subdivision 5; 299D.03, Subdivisions 2 and 3; 422A.09, by adding a subdivision; and Chapter 43, by adding a section; repealing Minnesota Statutes 1976, Sections 43.09, Subdivision 7; 43.12, Subdivisions 4 and 9; and 299D.03, Subdivision 3a."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Tom Nelson, Roger D. Moe, Timothy J. Penny, Nicholas D. Coleman, Harmon T. Ogdahl.

House Conferees: (Signed) James Pehler, Martin Sabo, Al Patton, Stanley Enebo, John Arlandson.

Mr. Nelson moved that the foregoing recommendations and Conference Committee Report on S. F. No. 1337 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. 1337: A bill for an act relating to state employees; providing for wage and fringe benefits for certain state employees; ratifying collective bargaining agreements; providing emergency rule making authority; increasing salary ranges; appropriating money; amending Minnesota Statutes 1976, Chapter 43, by adding a section; Sections 43.09, Subdivision 3; 43.12, Subdivisions 2, 3, 5, 6, 7, 8, 10, 11, 14, 16, 17, and 18, and by adding a subdivision; 43.121, Subdivision 3; 43.122, Subdivision 3, and by adding a subdivision; 43.126, Subdivision 1; 43.323, by adding a subdivision; 43.42; 43.44, Subdivision 1; 43.46; and 43.50, Subdivision 1; repealing Minnesota Statutes 1976, Sections 43.09, Subdivision 7; and 43.12, Subdivisions 4 and 9.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lewis	Peterson	Strand
Bang	Hanson	Luther	Purfeerst	Stumpf
Benedict	Hughes	Menning	Schaaf	Tennesen
Bernhagen	Humphrey	Merriam	Schmitz	Ulland, J.
Borden	Johnson	Moe	Schrom	Vega
Brataas	Keefe, J.	Nelson	Setzepfandt	Wegener
Davies	Kirchner	Ogdahl	Sieloff	Willet
Dieterich	Kleinbaum	Olhoft	Sikoraki	
Dunn	Knoll	Olson	Spear	
Engler	Laufenburger	Penny	Staples	
Gearty	Lessard	Perpich	Stokowski	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Third Reading of Senate Bills and Third Reading of House Bills.

THIRD READING OF SENATE BILLS

Mr. Olhoft moved that S. F. No. 1050, No. 1 on the Calendar, be stricken and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

THIRD READING OF HOUSE BILLS

H. F. No. 500: A bill for an act relating to financial institutions; regulating lenders of conventional mortgage loans; regulating mortgages and escrow accounts; requiring registration and reporting; regulating installment loans; abolishing a usury exception; providing an extension of a usury exception; providing a penalty; amending Minnesota Statutes 1976, Sections 47.20; 48.153; 334.01, Subdivision 2; and 334.06.

SUSPENSION OF RULES

Mr. Borden moved that Joint Rule No. 2.03 be suspended. The motion prevailed.

With the unanimous consent of the Senate, Mr. Borden moved to amend H. F. No. 500, as amended pursuant to Rule 49, adopted by the Senate April 25, 1977, as follows:

(The text of the amended House File is identical to S. F. No. 668.)

Page 15, line 21, strike "25" and insert "five"

Page 15, after line 25 insert "For purposes of this subdivision, the Minnesota housing finance agency shall not be considered a lender."

Page 15, line 26 strike "except those" and insert "including the Minnesota housing finance agency but excluding lenders"

Page 15, line 27, strike "25" and insert "five"

Page 16, after line 20 insert: "(f) conventional loans made by the lender and sold to the Minnesota housing finance agency and the total dollar amount thereof;"

Page 16, line 21, strike "f" and insert "g"

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 was taken on the passage of the bill, as amended,

The roll was called, and there were yeas 55 and nays 2, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lewis	Peterson	Solon
Ashbach	Gunderson	Luther	Pillsbury	Spear
Bang	Hanson	McCutcheon	Purfeerst	Staples
Benedict	Hughes	Menning	Renneke	Stokowski
Bernhagen	Jensen	Merriam	Schaaf	Strand
Borden	Keefe, J.	Moe	Schmitz	Stumpf
Brataas	Kirchner	Nelson	Schrom	Tennessee
Davies	Kleinbaum	Ogdahl	Setzpfandt	Ulland, J.
Dieterich	Knoll	Olhoff	Sieloff	Vega
Dunn	Laufenburger	Olson	Sikorski	Wegener
Engler	Lessard	Penny	Sillers	Willet

Messrs. Johnson and Perpich voted in the negative.

So the bill, as amended, was repassed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Messages From the House.

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 House File No. 1300 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 1300: A bill for an act relating to outdoor recreation; appropriating money for acquisition and betterment of parks, trails, wildlife lands, outdoor athletic courts, and for other purposes; authorizing sale of bonds; amending Minnesota Statutes 1976, Sections 85.016; 97.49, Subdivision 3; 473.121, Subdivision 14; 473.302; 473.303, by adding a subdivision; 473.315, Subdivision 1; Chapter 4, by adding a section; and Chapter 85, by adding a section.

H. F. No. 1300 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1300

A bill for an act relating to outdoor recreation; appropriating money for acquisition and betterment of parks, trails, wildlife lands, outdoor athletic courts, and for other purposes; authorizing sale of bonds; amending Minnesota Statutes 1976, Sections 85.016; 97.49, Subdivision 3; 473.121, Subdivision 14; 473.302; 473.303, by adding a subdivision; 473.315, Subdivision 1; Chapter 4, by adding a section; and Chapter 85, by adding a section.

May 20, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1300 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. 1300 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [4.35] [TRAIL PLANNING.] *The state planning agency, in cooperation with the commissioner of natural resources, metropolitan council, and commissioner of transportation, shall review and coordinate plans for trails acquisition and development and trail development grants pursuant to sections 2 of this act, 85.015, 85.016, 5 of this act, 473.147, and 473.301 to 473.341.*

Sec. 2. [4.36] [GRANTS-IN-AID FOR RECREATIONAL BETTERMENT.] *Subdivision 1. [DEFINITIONS.] For purposes of this section, the following terms have the meanings set forth, except as otherwise expressly provided or indicated by the context.*

(a) "Athletic courts" means special surface areas and supporting equipment or structures such as nets, hoops, and walls which can be used for active games that have definite boundaries and

are played on a marked surface, limited to basketball, volleyball, handball and tennis.

(b) "Metropolitan council" and "metropolitan area" have the meanings given them in section 473.121.

(c) "Units of government" means any county, city and home rule charter city, town, school district, public post-secondary educational institution, special park district, or any elected park and recreation board having control over parks, parkways, playgrounds, and trees in a city of the first class.

Subd. 2. [GRANTS FOR PARKS AND TRAILS.] The state planning agency shall administer a program to provide grants to units of government located within standard metropolitan statistical areas, as designated by the United States office of management and budget, but outside of the metropolitan area defined in section 473.121. The grants shall be for acquisition and betterment by units of government of public land and improvements needed for parks, trails, conservatories, zoos and other special use facilities having recreational significance for the entire population of the particular standard metropolitan statistical area. Appropriations made for this purpose shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commission regarding the expenditures. The local contribution required shall be identical to that required by the legislative commission on Minnesota resources for grants-in-aid for recreation open space of regional significance. The program shall be administered so as to ensure the maximum possible use of available federal money.

Subd. 3. [GRANTS FOR TRAILS IN LOCAL PARKS.] The state planning agency shall administer a program to provide grants to units of government for the betterment of public land and improvements needed for recreational trails in parks owned and operated by units of government. A grant shall not exceed 40 percent of the costs of the betterment of the trail. To be eligible for a grant, a unit of government must provide at least ten percent of the costs of the betterment of the trail.

Subd. 4. [GRANTS FOR LOCAL OUTDOOR ATHLETIC COURTS.] The state planning agency shall administer a program to provide grants to units of government for the betterment of public land and improvements needed for local athletic courts. A grant shall not exceed 50 percent of the costs of the betterment of the athletic court. To be eligible for a grant, a unit of government must provide at least 50 percent of the costs of the betterment of the athletic court. In making grants the agency shall consider, among other factors, evidence of cooperation between units of government, local need and available financial resources, and court locations that encourage maximum use, patronage, and availability.

Subd. 5. [POWERS; RULES.] The director of the state planning agency shall have all powers necessary and convenient in order to establish programs for recreational betterment grants.

in-aid for parks, trails, and athletic courts pursuant to this section including, but not limited to, the authority to adopt rules and regulations for the programs, pursuant to chapter 15, and emergency rules and regulations to commence immediately the programs, pursuant to section 15.0412.

Sec. 3. Minnesota Statutes 1976, Section 85.016, is amended to read:

85.016 [BICYCLE TRAIL PROGRAM.] The commissioner of natural resources shall develop ~~establish~~ a program for an ~~inter-connecting statewide system~~ *the development of bicycle trails utilizing both the state trails authorized by section 85.015, other state parks and recreation land, and state forests and existing and proposed local bicycle trails.* "Bicycle trails", as used in this section, includes bicycle lanes and bicycle ways as those terms are used in sections 160.263 and 160.264. The program shall be coordinated with the local park trail grant program established by the state planning agency pursuant to section 2 of this act, with the bicycle trail program established by the commissioner of transportation pursuant to section 5 of this act, and with existing and proposed local bicycle trails. In the metropolitan area as defined in section 473.121, the program shall be developed in accordance with plans and priorities established by the metropolitan council. ~~In addition~~ The commissioner shall provide technical assistance to local units of government in planning ~~and developing bicycle trail systems~~ *trails in local parks.* The state bicycle trail program shall, as a minimum, describe the location, design, construction, maintenance and land acquisition needs of each component trail and shall give due consideration to the model standards for the establishment of recreational vehicle lanes promulgated by the commissioner of transportation pursuant to section 160.262. ~~The program shall include a proposal for a system of state aid to localities. The proposal for a system of state aid to localities shall include a provision that the amount of aid apportioned to a locality will depend, in part, upon the numbers of bicycles registered in the locality. The program shall be developed after consultation with the state trail council and regional and local units of government and bicyclists organizations.~~

Sec. 4. Minnesota Statutes 1976, Chapter 85, is amended by adding a section to read:

[85.017] [TRAIL REGISTRY.] *The commissioner of natural resources shall compile and maintain a current registry of cross-country skiing, hiking, horseback riding and snowmobiling trails in the state and shall publish and distribute the information in the manner prescribed in section 86A.11. The metropolitan council, the state planning agency, the Minnesota historical society, and local units of government shall cooperate with and assist the commissioner in preparing the registry.*

Sec. 5. [160.265] [BICYCLE TRAIL PROGRAM.] *Subdivision 1. [STATE BICYCLE TRAILS.] The commissioner of transportation shall establish a program for the development of bicycle trails primarily on existing road rights of way. "Bicycle trails", as used in this section, includes bicycle lanes and bicycle ways as those terms are used in*

sections 160.263 and 160.264. The program shall include a system of bicycle trails to be established, developed, maintained, and operated by the commissioner of transportation and a system of state grants for the development of local bicycle trails primarily on existing road rights of way. The program shall be coordinated with the local park trail grant program established by the state planning agency pursuant to section 2 of this act, with the bicycle trail program established by the commissioner of natural resources pursuant to section 85.016, with the development of the statewide transportation plan pursuant to section 174.03, and with existing and proposed local bicycle trails. In the metropolitan area as defined in section 473.121, the program shall be developed in accordance with plans and priorities established by the metropolitan council. The program shall be developed after consultation with the state trail council, local units of government, and bicyclist organizations. The program shall be administered in accordance with the provisions of sections 160.262 to 160.264 and standards promulgated pursuant thereto. The commissioner shall compile and maintain a current registry of bicycle trails in the state and shall publish and distribute the information contained in the registry in a form and manner suitable to assist persons wishing to use the trails. The metropolitan council, the commissioner of natural resources, the state planning agency, the Minnesota historical society, and local units of government shall cooperate with and assist the commissioner of transportation in preparing the registry. The commissioner shall have all powers necessary and convenient to establish the program pursuant to this section including but not limited to the authority to adopt rules pursuant to chapter 15.

Subd. 2. [LOCAL BICYCLE TRAIL GRANTS.] The commissioner shall provide technical assistance to local units of government in planning and developing bicycle trails. The commissioner shall make grants to units of government as defined in section 2, subdivision 1, for the betterment of public land and improvements needed for local bicycle trails. In making grants the commissioner shall consider, among other factors, the number of bicycles in the localities. A grant shall not exceed 75 percent of the costs of the betterment of the bicycle trail. To be eligible for a grant, a unit of government must provide at least 25 percent of the costs of the betterment of the trail. The commissioner may adopt emergency rules pursuant to section 15.0412 to commence the grant program immediately.

Sec. 6. Minnesota Statutes 1976, Section 473.121, Subdivision 14, is amended to read:

Subd. 14. "Regional recreation open space" means the land and water areas, or interests therein, and facilities determined by the metropolitan council to be of regional significance importance in providing for a balanced system of public outdoor recreation for the metropolitan area, including but not limited to park reserves, major linear parks and trails, and large recreation parks, and conservatories, zoos, and other special use facilities.

Sec. 7. Minnesota Statutes 1976, Section 473.302, is amended to read:

473.302 [REGIONAL RECREATION OPEN SPACE SYSTEM;

PURPOSE.] The legislature finds that the pressure of urbanization and development threatens the most valuable remaining large recreational open space areas in the metropolitan area at the same time as the need for such areas is increased. Immediate action is therefore necessary to provide funds to acquire, preserve, protect and develop regional recreational open space for public use.

Sec. 8. Minnesota Statutes 1976, Section 473.303, is amended by adding a subdivision to read:

Subd. 6. [COMPENSATION.] Members and the chairman shall be compensated as provided for members of metropolitan commissions.

Sec. 9. Minnesota Statutes 1976, Section 473.315, Subdivision 1, is amended to read:

473.315 [GRANTS.] Subdivision 1. The metropolitan council with the advice of the commission may make grants, from any funds available to it for recreation open space purposes, to any municipality, park district or county located wholly or partially within the metropolitan area to cover the cost, or any portion of the cost, of acquiring or developing regional recreation open space in accordance with the policy plan; and all such agencies may enter into contracts for this purpose or rights or interests therein. The cost of acquisition shall include any payments required for relocation pursuant to sections 117.50 to 117.56. ~~No more than 80 percent of the funds available under sections 473.301 to 473.341 shall be used for acquisition of regional recreation open space and no more than 30 percent shall be used for development of regional recreation open space.~~

Sec. 10. **[BOND SALE.]** *To provide the money appropriated in the following sections of this act, the commissioner of finance, upon request of the governor, shall sell and issue bonds of the state in the amount of \$61,500,000 in the manner and upon the terms prescribed by sections 16A.63 to 16A.67 and by the Minnesota Constitution, Article XI, Sections 4 to 7.*

Sec. 11. **[APPROPRIATIONS.]** *The sums set forth in the following sections of this act are appropriated from the Minnesota state building fund to the agencies indicated for the acquisition and betterment of public outdoor recreation lands and capital improvements as more specifically described in the following sections of this act.*

Sec. 12. **[PARK, TRAIL, AND ATHLETIC COURT GRANTS.]** *Subdivision 1. The sums set forth in this section are appropriated to the state planning agency for the purposes indicated.*

[TOTAL APPROPRIATED\$5,100,000]

Subd. 2. Park and trail grants, pursuant to section 2, subdivision 2

2,500,000

\$1,750,000 of this appropriation shall be used for grants for acquisition of parks and trails.

\$750,000 of this appropriation shall be used for grants for betterment of parks, trails, conservatories, zoos and other special use facilities.

Subd. 3. Grants for trails within local parks pursuant to section 2, subdivision 3

\$ 1,300,000

\$650,000 of this appropriation shall be used for grants to units of government in the metropolitan area in accordance with priorities established by the metropolitan council and the agency.

\$650,000 of this appropriation shall be used for grants to units of government outside the metropolitan area.

Subd. 4. Local athletic court grants, pursuant to section 2, subdivision 4

1,300,000

\$650,000 of this appropriation shall be used for grants to units of government in the metropolitan area in accordance with priorities established by the metropolitan council and the agency.

\$650,000 of this appropriation shall be used for grants to units of government outside the metropolitan area.

Subd. 5. Of the sums appropriated by this section, not more than five percent may be expended by the director for staff and independent professional services needed for the grant programs. The approved complement of the state planning agency is increased by three persons.

Sec. 13. [NATURAL RESOURCES ACQUISITION AND BETTERMENT.] *Subdivision 1. The sums set forth in this section are appropriated to the commissioner of natural resources, except as otherwise indicated, for the purposes indicated in this section. All acquisition shall be in accordance with the policies established in sections 86A.01 to 86A.09. Lands acquired for a unit of the outdoor recreation system shall be suited to accomplish the purposes for which the unit is established and suited to be managed in accordance with the management principles applicable to the unit. Lands shall be acquired by the commissioner of administration for the commissioner of natural resources where provided by law. It shall be a condition of acceptance of the appropriations made in this section that the agency or entity receiving the appropriation shall submit work programs and semiannual progress reports in the form as may be determined by the legislative commission on Minnesota resources. None of the moneys provided in this section may be expended unless the commission has approved the pertinent work program.*

[TOTAL APPROPRIATED: . . . \$25,300,000]

Subd. 2. For acquisition of state parks and recreation areas, as listed and described in sections 85.012 and 85.013

\$7,783,000

First priority for acquisitions shall be given to land within existing statutory boundaries where the property is needed for immediate development in order to accomplish the purposes for which the unit is authorized, or where the anticipated use of the property is incompatible with the purposes for which the unit is authorized, or where the market value of comparable property in vicinity of the property to be acquired has risen more than ten percent in each of the previous two years.

Subd. 3. For acquisition of state trails, as listed and described in section 85.015, and pursuant to section 84.029, subdivision 2

1,805,000

For betterment of the trails

1,800,000

No further expenditure of money for development of the Luce Line Trail shall be made until the commissioner of natural resources has prepared a comprehensive fiscal management plan covering all costs associated with development of the trail, submitted the plan to the house environment and natural resources committee, the house appropriations committee and the senate finance committee for the purpose of consultation, and received their recommendations thereon. The recommendations are advisory only.

Subd. 4. For betterment of public land and improvements needed for trails for skiing, hiking, and bicycling within state parks and recreation areas as listed and described in sections 85.012 and 85.013 and state forests, as listed and described in section 89.021

1,105,000

Subd. 5. For acquisition of state forests, as listed and described in section 89.021

2,760,000

Priority shall first be given to acquiring the remaining lands in the Sand Dunes and Memorial Hardwood state forests and then to lands particularly suited for use as state forest campgrounds or day use areas and to lands within state forests that possess outstanding natural or scenic values, forest growth, lake or river shoreland, or rare and distinctive species of flora and fauna native to the area, that should be preserved for the benefit of the public. If any parcel acquired for the Memorial Hardwood forest after the effective date of this act contains more than ten contiguous acres of tillable land adjacent to other tillable land or to a public road, the commissioner of natural resources shall declare that tillable land as surplus land to the commissioner of administration. The commissioner of administration shall offer the land for sale in the manner provided by law not less than six months after acquisition by the state and once there-

after in each of the next two years. Tillable land is land classified as class 1, 2, or 3 as defined by the United States soil conservation service. Notwithstanding any law to the contrary neither the state nor any of its subdivisions shall be required to construct or maintain any street, highway or other road to provide access to any parcel of land sold pursuant to this subdivision. None of the money appropriated by this subdivision shall be obligated or expended for the acquisition, development or maintenance of state forests without prior express approval of the legislative commission on Minnesota's resources.

Subd. 6. For acquisition of fishing management lands, comprising lands and riparian rights and other interests therein needed for management of waters for primary wildlife use and benefit and for access to fishing waters pursuant to section 97.48, subdivisions 8, 11 and 15

1,008,000

Subd. 7. For acquisition of state wildlife management areas, acquired pursuant to section 97.48, subdivision 13 or section 97.481

2,500,000

For betterment of these areas

500,000

Acquisition shall be limited to wildlife lands and waters that are of high priority because they are critical to the functioning of a unit already in public ownership, or are threatened with development that is incompatible with preservation of the area for wildlife management, or are situated in an area where the market value of comparable property has risen more than ten percent in each of the previous two years, and that can be acquired from a willing seller.

Subd. 8. For acquisition of wild, scenic and recreational rivers, designated pursuant to sections 104.25 to 104.40, and canoe and boating routes, portages, and camp sites, as listed and described in section 85.32

1,706,000

Subd. 9. For acquisition of scientific and natural areas designated pursuant to section 84.033

538,000

Subd. 10. For costs of staff and independent professional services necessary to the acquisition and betterment of these lands and improvements

3,795,000

Sec. 14. [BICYCLE TRAIL GRANTS.] Subdivision 1. The sums set forth in this section are appropriated to the commissioner of transportation for the purposes indicated.

[TOTAL APPROPRIATED . . . \$3,800,000]

Subd. 2. For betterment of public land and improvements needed for state bicycle trails primarily

on existing road rights of way pursuant to section 5, subdivision 1, of this act 1,700,000

Subd. 3. Local bicycle trail grants, pursuant to section 5, subdivision 2, of this act 2,100,000

\$700,000 of this appropriation shall be used for grants to units of government in the metropolitan area, in accordance with the priorities established by the metropolitan council.

\$1,400,000 of this appropriation shall be used for grants to units of government outside the metropolitan area.

Subd. 4. [GRANT PROGRAM ADMINISTRATION.] Of the amounts appropriated by subdivision 2, not more than 15 percent, and of the amounts appropriated by subdivision 3, not more than five percent, may be expended by the commissioner for staff and independent professional services needed for the grant program.

Sec. 15. [METROPOLITAN PARKS AND TRAILS.] Subdivision 1. The sums set forth in this section are appropriated to the director of the state planning agency for payment to the metropolitan council established under section 473.123. The money shall be paid to the metropolitan council upon receipt by the agency of a resolution of the council requesting payment.

[TOTAL APPROPRIATED \$27,300,000]

Subd. 2. Parks and trails 24,000,000

This appropriation shall be used to pay the cost of the acquisition and betterment by the metropolitan council and local government units of regional recreation open space in accordance with the council's policy plan, as provided in sections 473.301 to 473.341. The money is available for payment of relocation costs and tax equivalents required in sections 473.315 and 473.341. Of the amount appropriated by this subdivision, the metropolitan council may expend no more than \$200,000 for staff and independent professional services necessary for the acquisition and betterment of this open space and for the performance of duties of the metropolitan council under this section and sections 1, 12, and 14.

Subd. 3. Trails in parks 2,200,000

This appropriation shall be used to pay the cost of betterment by the metropolitan council and local government units of public land and improvements needed for trails situated within regional parks and park reserves in accordance with the council's policy plan, as provided in sections 473.301 to 473.341. None of the money may be used for acquisition of land, for relocation payments under section 473.315, or for tax equivalents under section 473.341.

Subd. 4. Trail corridors

1,100,000

This appropriation shall be used to pay the cost of acquisition and betterment by the metropolitan council and local government units of public land and improvements needed for regional trails and trail corridors situated outside of regional parks and park reserves, in accordance with the council's policy plan, as provided in sections 473.301 to 473.341. The money is available for payment of relocation costs and tax equivalents required in sections 473.315 and 473.341."

Further, strike the title and insert:

"A bill for an act relating to outdoor recreation; appropriating money for acquisition and betterment of parks, trails, wildlife lands, outdoor athletic courts, and for other purposes; authorizing sale of bonds; amending Minnesota Statutes 1976, Sections 85.016; 473.121, Subdivision 14; 473.302; 473.303, by adding a subdivision; 473.315, Subdivision 1; and Chapter 85, by adding a section."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) James Casserly, Willard Munger, Gary W. Laidig

Senate Conferees: (Signed) Jerald C. Anderson, Gerald L. Willet, William G. Kirchner

Mr. Anderson moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1300 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. 1300: A bill for an act relating to outdoor recreation; appropriating money for acquisition and betterment of parks, trails, wildlife lands, outdoor athletic courts, and for other purposes; authorizing sale of bonds; amending Minnesota Statutes 1976, Sections 85.016; 473.121, Subdivision 14; 473.302; 473.303, by adding a subdivision; 473.315, Subdivision 1; and Chapter 85, by adding a section.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 54 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Perpich	Spear
Ashbach	Gunderson	Lessard	Pillsbury	Staples
Bang	Hanson	Lewis	Purfeerst	Stokowski
Benedict	Hughes	Luther	Renneke	Strand
Bernhagen	Humphrey	McCutcheon	Schaaf	Stumpf
Borden	Jensen	Menning	Schmitz	Tennessee
Brataas	Johnson	Merriam	Setzepfandt	Ulland, J.
Davies	Keefe, J.	Moe	Sieloff	Vega
Dieterich	Kirchner	Nelson	Sikorski	Wegener
Dunn	Kleinbaum	Ogdahl	Sillers	Willet
Engler	Knoll	Olhoft	Solon	

Messrs. Penny, Peterson and Schrom voted in the negative.

So the bill, as amended by the Conference Committee, was re-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. 437 and re-passed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 437: A bill for an act relating to taxation; altering the definition of gross income for income tax purposes for individuals, trusts and estates; placing restrictions on certain deductions and allowing certain tax free distributions; extending time for certain sales or exchanges of residential property; making certain changes in treatment of small business corporations; amending Minnesota Statutes 1976, Sections 290.01, Subdivision 20; 290.09, Subdivisions 2 and 29; 290.13, Subdivision 9; 290.23, by adding a subdivision; 290.26, by adding a subdivision; 290.971, Subdivisions 1 and 3, and by adding subdivisions; 290.972, Subdivision 5; and 290A.03, Subdivision 3.

H. F. No. 437 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 437

A bill for an act relating to taxation; altering the definition of gross income for income tax purposes for individuals, trusts and estates; placing restrictions on certain deductions and allowing certain tax free distributions; extending time for certain sales or exchanges of residential property; making certain changes in treatment of small business corporations; amending Minnesota Statutes 1976, Sections 290.01, Subdivision 20; 290.09, Subdivisions 2 and 29; 290.13, Subdivision 9; 290.23, by adding a subdivision; 290.26, by adding a subdivision; 290.971, Subdivisions 1 and 3, and by adding subdivisions; 290.972, Subdivisions 5; and 290A.03, Subdivision 3.

May 20, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 437 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. 437 be amended as follows:

Page 2, line 32, after " 1976, " insert " *including the amendments made to section 280A (relating to licensed day care centers) in H. R. 3477 as it passed the Congress on May 16, 1977, "*

Page 3, line 1, delete " 1975 " and insert " 1976 "

Page 5, line 15, before the period insert " ;

(13) *Interest income from qualified scholarship funding bonds as defined in section 103(e) of the Internal Revenue Code of 1954, as amended through December 31, 1976, if the nonprofit corporation is domiciled outside of Minnesota;*

(14) *Exempt-interest dividends, as defined in section 852(b) (5)(A) of the Internal Revenue Code of 1954, as amended through December 31, 1976, not included in federal adjusted gross income pursuant to section 852(b) (5)(B) of the Internal Revenue Code of 1954, as amended through December 31, 1976, except for that portion of such exempt-interest dividends derived from interest income on obligations of the state of Minnesota, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities;*

(15) *The amount of any excluded gain realized by a trust on the sale or exchange of property as defined in section 641(c) (1) "*

Page 9, after line 18, insert:

"Sec. 2. Minnesota Statutes 1976, Section 290.032, is amended by adding a subdivision to read:

Subd. 4. The provisions of section 402(e) (4) (L) of the Internal Revenue Code of 1954, as amended through December 31, 1976 (relating to an election on the taxation of lump-sum distributions), may be elected by the taxpayer for the purpose of computing the tax imposed by subdivision 1.

Sec. 3. Minnesota Statutes 1976, Chapter 290, is amended by adding a section to read:

[290.013] [ITEMS NOT TO BE TAKEN INTO ACCOUNT REPEATEDLY.] *Except as distinctly expressed or manifestly intended, the same item, whether of income, deduction, credit, or otherwise, shall not be taken into account in a taxable year if previously taken into account in a prior taxable year where the reason for the subsequent consideration is solely based on updating a*

reference to the Internal Revenue Code to take account of an amendment in a later year."

Delete page 13, line 4, to page 18, line 13

Page 18, line 21, delete " 1975 " and insert " 1976 "

Page 18, line 24, delete " which permit " and insert " (relating to "

Page 18, line 26, after " terminations " insert ") "

Page 21, line 25, delete " (a) " and insert " (A) "

Page 24, line 27, after "(a) (8)," strike "and"

Page 24, line 27, after "(a) (10)," insert "(a) (13), and (a) (14),"

Page 25, after line 20, insert

"Sec. 14. [REPEALER.] *Minnesota Statutes 1976, Section 290.13, Subdivision 9, is repealed.*"

Page 25, line 21, delete " 6 " and insert " 7 "

Page 25, delete line 23

Page 25, line 24, delete " beginning after December 31, 1976. "

Page 25, line 26, delete " 1975 " and insert " 1976 "

Page 25, line 26, after the period insert " Section 2 is effective for taxable years beginning after December 31, 1975. "

Renumber the sections accordingly.

Further, amend the title:

Line 10, after the semicolon, insert "290.032, by adding a subdivision;"

Line 11, delete "290.13, Subdivision"

Line 12, delete "9;"

Line 15, after "3" insert "and Chapter 290, by adding a section; repealing Minnesota Statutes 1976, Section 290.13, Subdivision 9"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) William N. Kelly, Joel Jacobs and Ray O. Pleasant.

Senate Conferees: (Signed) Wayne Olhoft, Douglas H. Sillers and Collin C. Peterson.

Mr. Olhoft moved that the foregoing recommendations and Conference Committee Report on H. F. No. 437 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. 437: A bill for an act relating to taxation; altering

the definition of gross income for income tax purposes for individuals, trusts and estates; placing restrictions on certain deductions and allowing certain tax free distributions; extending time for certain sales or exchanges of residential property; making certain changes in treatment of small business corporations; amending Minnesota Statutes 1976, Sections 290.01, Subdivision 20; 290.032 by adding a subdivision; 290.09, Subdivisions 2 and 29; 290.23, by adding a subdivision; 290.26, by adding a subdivision; 290.971, Subdivisions 1 and 3, and by adding subdivisions; 290.972, Subdivision 5; and 290A.03, Subdivision 3 and Chapter 290, by adding a section; repealing Minnesota Statutes 1976, Section 290.13, Subdivision 9.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Gunderson	Lewis	Pillsbury	Stokowski
Ashbach	Hanson	Luther	Purfeerst	Strand
Bang	Hughes	McCutcheon	Renneke	Stumpf
Benedict	Humphrey	Menning	Schaaf	Tennessen
Bernhagen	Jensen	Merriam	Schmitz	Ulland, J.
Borden	Johnson	Moe	Setzepfandt	Vega
Brataas	Keefe, J.	Nelson	Sieloff	Wegener
Davies	Kirchner	Ogdahl	Sikorski	Willet
Dieterich	Kleinbaum	Olhoft	Sillers	
Dunn	Knoll	Penny	Solon	
Engler	Laufenburger	Perpich	Spear	
Gearly	Lessard	Peterson	Staples	

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 recommendation and report of the Conference Committee on House File No. 398 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 398: A bill for an act relating to protection of the environment; prohibiting sale of pressurized containers using certain chlorofluorocarbon propellants; prescribing penalties.

House File No. 398 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 398

A bill for an act relating to protection of the environment; prohibiting sale of pressurized containers using certain chlorofluorocarbon propellants; prescribing penalties.

May 19, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 398, 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. 398 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [116D.21] [OZONE LAYER PRESERVATION.]
Subdivision 1. Except as provided by subdivision 3, after July 1, 1979 no person shall sell or offer for sale in this state any pressurized container which contains as a propellant trichloromonofluoromethane, difluorodichloromethane, dichlorotetrafluoroethane, or any other saturated chlorofluorocarbon compound or other similar inert fluorocarbon compound that does not contain reactive carbon hydrogen bonds.

Subd. 2. Commencing October 31, 1977, no person shall sell or offer for sale at wholesale in this state a pressurized container using chlorofluorocarbon propellants unless the container has prominently displayed on the front panel this statement: "Warning: Contains a chlorofluorocarbon that may harm the public health and environment by reducing ozone in the upper atmosphere."

Subd. 3. Nothing in this section prohibits the sale or use of refrigeration equipment containing chlorofluorocarbon compounds, or the sale of chlorofluorocarbon compounds for use in such equipment. This section shall not apply to the sale of chlorofluorocarbon compounds for the following essential medical uses:

- (a) metered-dose steroid human drugs for nasal inhalation;
- (b) metered-dose steroid human drugs for oral inhalation;
- (c) metered-dose adrenergic bronchodilator human drugs for oral inhalation;
- (d) contraceptive vaginal foams for human use; or
- (e) cytology fixatives; nor

for other medical uses by or under the supervision of a licensed physician, dentist or veterinarian, or a hospital, nursing home or other health care institution licensed by the department of health. This section shall also not apply to the sale of chlorofluorocarbon

compounds for use in the cleaning, maintenance, testing and repair of electronic equipment.

Subd. 4. A violation of this section is a misdemeanor.

Sec. 2. This act is effective the day following its final enactment."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Ann Wynia, Tom Stoa and William D. Dean.

Senate Conferees: (Signed) Hubert H. Humphrey III, Gerald L. Willet and John Bernhagen.

Mr. Humphrey moved that the foregoing recommendations and Conference Committee Report on H. F. No. 398 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. 398: A bill for an act relating to protection of the environment; prohibiting sale of pressurized containers using certain chlorofluorocarbon propellants; prescribing penalties.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 45 and nays 8, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Kleinbaum	Penny	Spear
Bang	Frederick	Knoll	Perpich	Staples
Benedict	Gearty	Knutson	Peterson	Stokowski
Borden	Gunderson	Lewis	Schmitz	Strand
Brataas	Hanson	Luther	Setzepfandt	Stumpf
Coleman	Hughes	Menning	Sieloff	Tennessen
Davies	Humphrey	Moe	Sikorski	Ulland, J.
Dieterich	Johnson	Nelson	Sillers	Vega
Dunn	Keefe, J.	Olhoft	Solon	Willet

Those who voted in the negative were:

Bernhagen	Laufenburger	Purfeerst	Schrom	Wegener
Jensen	Lessard	Renneke		

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

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.

APPOINTMENTS

Mr. Coleman, from the Subcommittee on Committees, recommends that the following named Senators be and they hereby are appointed as a Conference Committee on:

H. F. No. 1030, pursuant to the request of the House:

Messrs. Sikorski, Milton and Kirchner.

H. F. No. 420, pursuant to the request of the House:

Messrs. Schaaf, Humphrey and Sieloff.

S. F. No. 411, pursuant to the request of the Senate:

Messrs. McCutcheon, Sikorski and Dunn.

Mr. Coleman moved that the foregoing appointments be approved. The motion prevailed.

MOTIONS AND RESOLUTIONS—CONTINUED

Mrs. Staples moved that H. F. No. 83 be taken from the table. The motion prevailed.

SUSPENSION OF RULES

Mrs. Staples moved that the rules of the Senate be so far suspended as to make H. F. No. 83 a Special Order for immediate consideration, and to suspend Joint Rule 2.03. The motion prevailed.

Mrs. Staples moved to amend H. F. No. 83 as follows:

Strike everything after enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 299B.04, is amended to read:

299B.04 [AMOUNT OF REPARATIONS.] Reparations shall equal economic loss except that:

(1) reparations shall be reduced to the extent that economic loss is recouped from a collateral source or collateral sources ;

(2) reparations shall be reduced to the extent, if any, that the board deems reasonable because of the contributory misconduct of the claimant or of a victim through whom he claims and by the first \$100 of economic loss; and

(3) reparations paid to all claimants suffering economic loss as the result of the injury or death of any one victim shall not exceed \$10,000 \$25,000 .

Sec. 2. [APPROPRIATION.] *The sums set forth in this section are appropriated from the general fund to the commissioner of public safety for the payment of increased crime victims' reparations as provided for by this act, to be available for the fiscal year ending June 30 in the years indicated.*

1978 1979

\$75,000 \$75,000

Sec. 3. [EFFECTIVE DATE.] *This act applies to claims arising as a result of crimes committed or attempted on or after July 1, 1977.*"

Amend the title by striking it and inserting:

"A bill for an act relating to crime victims reparations; raising the amount of reparations paid to claimants suffering economic loss; appropriating money; amending Minnesota Statutes 1976, Section 299B.04."

The motion prevailed. So the amendment was adopted.

H. F. No. 83 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Knutson	Penny	Solon
Bang	Gunderson	Laufenburger	Pillsbury	Spear
Benedict	Hanson	Lessard	Purfeerst	Staples
Bernhagen	Hughes	Luther	Schaaf	Stokowski
Brataas	Humphrey	McCutcheon	Schmitz	Strand
Davies	Johnson	Menning	Schrom	Stumpf
Dieterich	Keefe, J.	Moe	Setzepfandt	Ulland, J.
Dunn	Kirchner	Nelson	Sieloff	Vega
Engler	Kleinbaum	Olhoft	Sikorski	Wegener
Frederick	Knoll	Olson	Sillers	

So the bill, as amended, passed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Messages From the House.

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 House File No. 256 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 256: A bill for an act relating to insurance; providing for regulation of aircraft and inland marine insurance; amending Minnesota Statutes 1976, Sections 70A.02, Subdivision 2; and 70A.06, Subdivision 3.

House File No. 256 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 256

A bill for an act relating to insurance; providing for regulation of aircraft and inland marine insurance; amending Minnesota Statutes 1976, Sections 70A.02, Subdivision 2; and 70A.06, Subdivision 3.

May 19, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 256 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. 256 be amended as follows:

Page 2, reinstate the stricken numbers on lines 4, 8, 9, and 12 and strike the new numbers on lines 8, 9 and 12

Page 2, after line 28, insert:

"Sec. 3. Minnesota Statutes 1976, Section 360.59, Subdivision 10, is amended to read:

Subd. 10. [CERTIFICATE OF INSURANCE.] Every owner of aircraft in this state when applying for registration, re-registration, or transfer of ownership shall supply any information the commissioner reasonably requires to determine that the aircraft is covered by an insurance policy with limits of not less than \$25,000 per passenger seat liability both for passenger bodily injury or death and for property damage; not less than \$25,000 for bodily injury or death to each non-passenger in any one accident; and not less than \$50,000 per occurrence for bodily injury or death to non-passengers in any one accident. The information shall include but is not limited to the name and address of the owner, the name of the insurer, the insurance policy number, the term of the coverage, policy limits and any other data the commissioner requires. No certificate of registration shall be issued pursuant to subdivision 3 in the absence of the information required by this subdivision or the commissioner. In the event of cancellation of the insurance the insurer shall notify the department of transportation at least ten days prior to the date on which the insurance coverage is to be terminated. Unless proof of a new policy of insurance is filed with the department the registration certificate for the aircraft shall be revoked forthwith. *Provided, however, that nothing in this subdivision shall be construed to require an owner of aircraft to maintain passenger seat liability coverage on aircraft for which an experimental certificate has been issued by the Administrator of the Federal Aviation Administration pursuant to 14 C.F.R., sections 21.191 to 21.195 and 91.42, whereunder persons operating the aircraft are prohibited from carrying passengers in the aircraft. Whenever the aircraft becomes certificated to carry*

passengers, passenger seat liability coverage shall be required as provided in this subdivision."

Amend the title as follows:

Page 1, line 3, after the semicolon insert "providing an exception from the requirement of passenger liability coverage on aircraft;"

Page 1, line 5, strike "and"

Page 1, line 5, before the period insert "and 360.59, Subdivision 10"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Ann Wynia, Maurice D. McCollar, Robert Anderson

Senate Conferees: (Signed) Hubert H. Humphrey III, Gerry Sikorski, William G. Kirchner

Mr. Humphrey moved that the foregoing recommendations and Conference Committee Report on H. F. No. 256 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. 256: A bill for an act relating to insurance; providing for regulation of aircraft and inland marine insurance; providing an exception from the requirement of passenger liability coverage on aircraft; amending Minnesota Statutes 1976, Sections 70A.02, Subdivision 2; 70A.06, Subdivision 3; and 360.59, Subdivision 10.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 50 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Knoll	Penny	Solon
Bang	Gearty	Knutson	Pillsbury	Spear
Benedict	Gunderson	Laufenburger	Purfeerst	Staples
Bernhagen	Hanson	Lessard	Renneke	Strand
Brataas	Hughes	Luther	Schaaf	Stumpf
Coleman	Humphrey	Menning	Schmitz	Tennessen
Davies	Johnson	Moe	Schrom	Ulland, J.
Dieterich	Keefe, J.	Nelson	Setzepfandt	Vega
Dunn	Kirchner	Olhoft	Sieloff	Wegener
Engler	Kleinbaum	Olson	Sikorski	Willet

Mr. Stokowski 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 recommendation and report of the Conference Committee on House File No. 1631 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 1631: A bill for an act relating to public improvements; providing for prison and education facilities; regulating the location of certain education facilities; barrier free buildings; authorizing state building bonds; appropriating money.

H. F. No. 1631 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1631

A bill for an act relating to public improvements; providing for prison and education facilities; regulating the location of certain education facilities; barrier free buildings; authorizing state building bonds; appropriating money.

May 21, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1631 report that we have agreed upon the items in dispute and recommend as follows:

That H. F. No. 1631 be further amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. [CORRECTIONS.] Subdivision 1. [COMMISSIONER OF ADMINISTRATION; BUILDINGS.] \$20,800,000 or as much thereof as necessary is appropriated from the Minnesota state building fund to the commissioner of administration to design, construct and equip a new high security detention facility for adult felons.

Subd. 2. [COMMISSIONER OF ADMINISTRATION; ARCHITECTURAL PLANS.] \$100,000 or as much thereof as necessary is appropriated from the Minnesota state building fund to the commissioner of administration to develop architectural plans for reducing the capacity of the present prison to less than 300 beds.

Subd. 3. [COMMISSIONER OF ADMINISTRATION; HEATING.] \$50,000 or as much thereof as necessary is appropriated from the general fund to the commissioner of administration to study and make recommendations concerning the use at the fa-

cility of solar heating, heat from lighting, body heat, or heat derived from other sources not presently in widespread use. The commissioner shall use state employees to make the study and develop the recommendations, insofar as practicable.

Subd. 4. [FACILITY SITE.] The facility shall be located at site 1E described in the February 1, 1977 "Master plan for a high security facility" reported by the corrections department to the legislature.

Sec. 2. [UNIVERSITY OF MINNESOTA.] \$12,965,232 or as much thereof as necessary is appropriated from the Minnesota state building fund to the regents of the university of Minnesota to construct and equip a pharmacy and nursing facility at the twin city campus. Construction and purchase of equipment shall not begin until \$8,265,368 is available for the project from federal funds.

Sec. 3. [LAW SCHOOL.] \$500,000 of the sum appropriated by Laws 1975, Chapter 436, Section 1, Subdivision 1, shall be supplied by \$500,000 of the proceeds of bonds issued pursuant to this act. That part of the bond issue is for the purpose of construction of a law school building as set forth in Laws 1975, Chapter 436, Section 1, Subdivision 1.

Sec. 4. [MANKATO STATE UNIVERSITY CAMPUS.] Notwithstanding Laws 1976, Chapter 348, Section 4, Subdivision 5, Clause (c) (1), the commissioner of administration is directed to proceed with the consolidation of the Highland and Valley campuses at Mankato state university. The commissioner shall take all necessary steps to implement the consolidation except that any measures requiring additional state funds beyond the amounts appropriated by Laws 1976, Chapter 348, Section 4, Subdivision 5, shall be deferred until legislative review, approval, and additional appropriation. The commissioner shall report on progress to the legislature no later than January 15, 1978.

Sec. 5. [DEPARTMENT OF ADMINISTRATION.] \$500,000 is appropriated from the state building fund to the commissioner of administration to make state facilities barrier free for the handicapped.

Sec. 6. [BONDS AUTHORIZED.] To provide the moneys appropriated from the Minnesota state building fund in this act, upon written request of the commissioner of administration the commissioner of finance shall sell and issue Minnesota state building bonds in the amount of \$34,866,000, in the manner and upon the terms and conditions prescribed by Minnesota Statutes, Sections 16A.63, 16A.64 and 16A.65, and by the Constitution, Article XI, Sections 4 to 7. The proceeds of the bonds, other than accrued interest and premium, are appropriated and shall be credited to the Minnesota state building fund.

Sec. 7. The allotment free balance remaining in the appropriation made by Laws 1971, Chapter 963, Section 5, Clause (a), is reappropriated to the commissioner of administration for land

acquisition in the capitol area, including improvements and preparation of sites for construction.

The balance of funds appropriated by Laws 1976, Chapter 331, Section 7, Subdivision 8, shall not cancel until June 30, 1978.

Sec. 8. Not later than June 1, 1981 the state of Minnesota shall cause the power plant at the Minnesota state prison, Stillwater, Minnesota, to comply with federal and state air emission rules and regulations by either modifying or eliminating the use of potentially polluting facilities.

Sec. 9. There is appropriated to the commissioner of administration from the general fund the sum of \$105,000 for the administration of this act.

Sec. 10. The sum of \$400,000 is appropriated from the general fund to the commissioner of administration for a building contingent account for the fiscal year ending June 30, 1978.

Sec. 11. Subdivision 1. The head of each department, agency, or system, including the university of Minnesota, owning or operating any state owned buildings, facilities, and grounds shall complete a survey of the accessibility of their buildings, facilities and grounds by the handicapped and elderly. The various departments, agencies, and systems shall conduct the survey with their own staff in consultation with the council for the handicapped and their representatives but shall not employ outside assistance or consultants. The surveys shall contain information requested by the commissioner of administration and the results shall be reported on forms supplied by the commissioner. These reports shall be submitted to the commissioner of administration on or before November 1, 1977.

Subd. 2. The commissioner of administration shall review the reports submitted and prepare a report to the legislature.

Subd. 3. The commissioner of administration shall, on or before February 1, 1978, file a report with the committee on finance of the senate and the committee on appropriations of the house of representatives. The report shall include but not be limited to an identification of projects and costs necessary to make state owned buildings, facilities, and grounds accessible to the handicapped and elderly.

Subd. 4. This section is effective the day following enactment.

Sec. 12. [REVIEW OF BUILDING PLANS.] Neither the commissioner of administration nor the board of regents of the university of Minnesota shall prepare final plans and specifications for any building authorized by this act until the using agency or department has presented the program and schematic plans to the chairman of the house appropriations committee and the chairman of the senate finance committee and the chairmen have made their recommendations thereon. The recommendations shall be advisory only. Failure or refusal to make a recommendation promptly shall be deemed a negative recommendation.

Sec. 13. [METHODS OF ACQUISITIONS.] Where money has been appropriated by this act to the commissioner of administration to acquire lands or sites for public buildings or real estate, acquisition may be by gift, purchase, or condemnation proceedings. Condemnation proceedings shall be pursuant to chapter 117.

Sec. 14. [PUBLIC LAND AND BUILDINGS.] There is appropriated from the general fund to the commissioner of administration for:

a. an office space study at Duluth	\$ 25,000
b. capitol remodeling	\$100,000
c. improvements to capitol area grounds, including landscaping, exterior signage, and modification of various parking areas.	\$151,300

Of this appropriation, \$21,000 is available for exterior signage in the capitol area as described by section 15.50, subdivision 2. The remainder shall be used in the area bounded by University Avenue, Park Street, Fuller Avenue, and Rice Street.

The amount allocated for construction of the park shall not be expended without approval of the required street vacations by the St. Paul planning commission and the St. Paul city council. The commissioner of administration shall landscape this area in accordance with plans approved by the capitol area architectural and planning board. This appropriation shall not cancel but shall remain available until the project is completed.

Sec. 15. The commissioner of administration may establish a service center in regional development commission district 3. The state planning agency and the regional development commission of region 3 shall cooperate with the commissioner in establishing the service center. The commissioner shall determine which state agencies shall be included in the service center. The commissioner may determine equitable methods of sharing space, personnel and equipment for the agencies he selects to participate in the service center. The commissioner may enter into a rental lease for a base term of five years with a five year leasehold renewal option for the purpose of acquiring suitable space for the service center."

Further, amend the title as follows:

Page 1, line 5, after "buildings;" insert "capitol area grounds improvements; authorizing the establishment of a service center;"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Harold Dahl, William Dean, Paul McCarron, John Arlandson, Richard Welch

Senate Conferees: (Signed) Roger Moe, B. Robert Lewis, Allan Spear, Sam Solon, George Pillsbury

Mr. Moe moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1631 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. 1631: A bill for an act relating to public improvements; providing for prison and education facilities; regulating the location of certain education facilities; barrier free buildings; capitol area grounds improvements; authorizing the establishment of a service center; authorizing state building bonds; appropriating money.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 51 and nays 1, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Knutson	Pillbury	Stokowski
Bang	Gearty	Laufenburger	Purfeerst	Strand
Benedict	Gunderson	Lessard	Renneke	Tennessen
Bernhagen	Hanson	Luther	Schaaf	Ulland, J.
Borden	Hughea	Menning	Schmitz	Vega
Brataas	Humphrey	Moe	Schrom	Wegener
Coleman	Johnson	Nelson	Setzopfandt	Willet
Davies	Keefe, J.	Olhoft	Sieloff	
Dieterich	Kirchner	Olson	Sikorski	
Dunn	Kleinbaum	Penny	Solon	
Engler	Knoll	Peterson	Spear	

Mr. Stumpf 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 recommendation and report of the Conference Committee on House File No. 559 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 559: A bill for an act relating to education; higher education coordinating board; student financial aid; changing certain requirements for scholarships, aids and grants to students; increasing the bonding and loan making authority of the board; transferring the program of nursing student grants to the board; appropriating money; amending Minnesota Statutes 1976, Sections 136A.121; 136A.144; 136A.16, Subdivisions 3, 4, 6 and 7; 136A.17, Subdivisions 3, 4, 5, 6, 7 and 8; 136A.171; 136A.233; and Chapter 136A, by adding a section.

House File No. 559 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 559

A bill for an act relating to education; higher education coordinating board; student financial aid; changing certain requirements for scholarships, aids and grants to students; increasing the bonding and loan making authority of the board; transferring the program of nursing student grants to the board; appropriating money; amending Minnesota Statutes 1976, Sections 136A.121; 136A.144; 136A.16, Subdivisions 3, 4, 6 and 7; 136A.17, Subdivisions 3, 4, 5, 6, 7 and 8; 136A.171; 136A.233; and Chapter 136A, by adding a section.

May 19, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 559 report that we have agreed upon the items in dispute and recommend as follows:

That H. F. No. 559 be further amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1976, Section 124.48, is amended to read:

124.48 [INDIAN SCHOLARSHIPS.] The state board may award scholarships to any *Minnesota resident* student who has *is of one-fourth or more Indian blood ancestry* and who, in the opinion of the board, has the capabilities to *profit benefit* from education. *Scholarship Scholarships* shall be for advanced or specialized education in accredited or approved colleges or in business, technical or vocational schools. Scholarships shall be used to defray tuition, incidental fees, *books, supplies, transportation, other related school costs* and the cost of board and room and shall be paid directly to the college or school concerned. The amount and type of each such scholarship shall be determined through the advice and counsel of the Minnesota Indian scholarship committee.

When an Indian student satisfactorily completes the work required by a certain college or school in a school year he is eligible for additional scholarships, if additional training is necessary to reach his educational and vocational objective. Scholarships may not be given to any Indian student for more than four years of study.

Sec. 2. Minnesota Statutes 1976, Section 136A.121, is amended to read:

136A.121. [SCHOLARSHIPS AND GRANTS-IN-AID.] Subdivision 1. [ELIGIBILITY.] An applicant shall be eligible to com-

pete for a scholarship under the provisions of sections 136A.09 to 136A.131 if the board finds that applicant:

- ~~(1)~~ is a citizen of the United States;
- ~~(2)~~ (1) is a resident of the state of Minnesota;
- ~~(3)~~ (2) has met all the requirements for admission as a full time student to an eligible institution of his choice as defined in sections 136A.09 to 136A.131;

~~(4)~~ (3) has demonstrated capacity for superior achievement at the institutional level as measured by standards prescribed by the board;

- ~~(5)~~ (4) is a qualified applicant as defined herein.

Subd. 2. [ELIGIBILITY FOR GRANTS-IN-AID.] An applicant shall be eligible to compete for a grant-in-aid, regardless of the applicant's sex, creed, race, color, national origin, or ancestry, under the provisions of sections 136A.09 to 136A.131 if the board finds that applicant:

- ~~(1)~~ is a citizen of the United States;
- ~~(2)~~ (1) is a resident of the state of Minnesota;
- ~~(3)~~ (2) is a graduate of a secondary school or its equivalent and has met all requirements for admission as a full time student to an eligible college or vocational school of his choice as defined in sections 136A.09 to 136A.131 or has completed at least one academic year of study at a two year institution and seeks transfer to a four year eligible institution;

~~(4)~~ (3) has met such criteria pertaining to financial need as the board shall make by regulation.

Subd. 3. [ALLOCATION AND AMOUNT.] ~~(1)~~ Scholarships and grants-in-aid shall be awarded annually on a funds available basis to those first year students and transfer students applicants for initial awards and applicants for renewal awards who meet the board's requirements ; .

~~(2)~~ Subd. 4. A financial stipend shall accompany scholarship awards if the scholarship winner demonstrates financial need and will attend an eligible institution. Financial stipends shall range from a maximum of \$1,100 to a minimum of \$100 but in no event shall exceed one-half of the applicant's financial need or an amount which if combined with the amount of a federal basic educational opportunity grant for which the applicant is eligible equals 75 percent of the applicant's need, whichever is the lesser . Scholarship winners who do not demonstrate financial need under criteria prescribed by the board shall be awarded honorary scholarships ; .

~~(3)~~ Subd. 5. A financial stipend based on financial need shall accompany grants-in-aid. Financial stipends shall range from a maximum of \$1,100 to a minimum of \$100, but in no event shall exceed one-half of the applicant's financial need ; or an amount

which if combined with the amount of a federal basic educational opportunity grant for which the applicant is eligible equals 75 percent of the applicant's need, whichever is the lesser.

(4) *Subd. 6.* In dispensing available funds in a given year, priority shall be given on the following basis:

Renewal scholarships and grants-in-aid.

Thereafter, until the funds are exhausted, to first year and transfer applicants for initial awards, on the basis of their rank in the case of scholarships, and on the basis of need with first year and transfer all applicants treated as a single pool of applicants in the case of grants-in-aid, as determined by standards prescribed by the board.

Subd. 7. Only first year students shall be eligible to apply for and receive initial scholarship awards. Only first year and transfer students who meet the board's requirements shall be eligible to apply for and receive initial grants-in-aid for the 1977-1978 school year. First year students, transfer students who meet the board's requirements and second year students who did not receive a grant-in-aid award upon entrance to post-secondary education shall be eligible to apply for and receive initial grants-in-aid for the 1978-1979 school year and subsequent school years.

(5) *Subd. 8.* Each scholarship or grant-in-aid shall be awarded for one academic year but shall be renewable until a total of eight semesters or twelve quarters or their equivalent have been covered, or a baccalaureate degree obtained, whichever occurs first ; .

(6) *Subd. 9.* Each scholarship or grant-in-aid shall be renewable, contingent on continued residency in Minnesota, United States citizenship, satisfactory academic standing and recommendation of the college or vocational school and, in the case of financial assistance, evidence of continued need ; .

(7) *Subd. 10.* The student must apply for renewal of his scholarship or grant-in-aid each year ; .

Subd. 11. The deadline for the board to accept applications for state scholarships and grants-in-aid shall be not earlier than February 16.

(8) *Subd. 12.* The student must continue to attend an eligible institution ; .

(9) *Subd. 13.* All scholarship winners shall be notified of their award by the board and shall be given appropriate evidence of the award ; .

(10) *Subd. 14.* All grant-in-aid recipients shall be duly notified thereof by the board ; .

(11) *Subd. 15.* Financial scholarships and grants-in-aid awarded under the terms of sections 136A.09 to 136A.131 shall be applied to educational costs in the following order: tuition, fees, books, supplies and other expenses. Unpaid portions of such

awards shall revert to the board scholarship or grant-in-aid account.

Sec. 3. Minnesota Statutes 1976, Section 136A.144, is amended to read:

136A.144 [EMERGENCY SCHOLARSHIP FUND; FOREIGN STUDENTS; AWARD.] The state of Minnesota shall establish an emergency scholarship fund to be awarded to public and private institutions of higher education in Minnesota which are eligible for the state grant-in-aid program as defined in this chapter; and which have foreign students enrolled, for the purpose of enabling them to achieve and maintain a desirable cultural mix in their student populations, and of assisting their bona fide foreign students to meet unexpected financial needs. The formula for apportioning available emergency scholarship funds to the institutions shall be established by the higher education coordinating board, which shall take into consideration full-time equivalent fall term enrollments and the total cost of education of foreign students at each participating institution. *Each institution wishing to receive funds to assist foreign students shall submit to the board in accordance with policies and procedures established by the board an estimate of the amount of funds needed by the institution and the amount allocated to any institution shall not exceed the estimate of need submitted by the institution. Any funds which would be allocated to an institution according to the formula but which exceed the estimate of need by the institution or the actual need of the institution may be re-allocated by the board to other institutions for which the estimate of need exceeds the amount of allocation under the formula.* The amounts awarded to individual students with emergency financial needs shall be determined by the participating institution based on guidelines reflecting the total cost of education at each institution and resources available to each potential recipient.

Sec. 4. Minnesota Statutes 1976, Section 136A.16, Subdivision 3, is amended to read:

Subd. 3. The board shall be authorized to make ~~or to guarantee~~ loans in amounts not to exceed the maximum amount provided in the higher education act of 1965 and any amendments thereof and the board shall be authorized to establish procedures determining the loan amounts for which students are eligible.

Sec. 5. Minnesota Statutes 1976, Section 136A.16, Subdivision 4, is amended to read:

Subd. 4. The board shall have the right to contract with or to enter into agreements with eligible lenders for purposes of ~~guaranteeing~~ making loans to residents in accordance with the policies, rules, and regulations of the board.

Sec. 6. Minnesota Statutes 1976, Section 136A.16, Subdivision 6, is amended to read:

Subd. 6. The board shall be empowered to charge for insurance

on each guaranteed loan a premium, payable each year in advance, in an amount not to exceed the premium in the federal regulations which govern the vocational and higher education loan program. Premium fees shall be available to the board without fiscal year limitation for the purposes of making and guaranteeing loans and meeting expenses incurred in administering the program.

Sec. 7. Minnesota Statutes 1976, Section 136A.16, Subdivision 7, is amended to read:

Subd. 7. The board is designated the state agency to may apply for, receive, accept, and disburse federal funds, as well as funds from other public and private sources, made available to the state for use as reserves to guarantee student loans or as administrative moneys to operate student loan programs. In making application for federal funds, it may comply with all requirements of such federal law and such rules and regulations to enable it to receive, accept, and administer such funds.

Sec. 8. Minnesota Statutes 1976, Chapter 136A, is amended by adding a section to read:

[136A.162] [CLASSIFICATION OF DATA.] *All data on applicants for financial assistance collected and used by the higher education coordinating board for the purposes of the scholarship, grant-in-aid and loan programs administered by that board shall be classified as private data on individuals pursuant to section 15.162, subdivision 5a. Exceptions to this classification are the names and addresses of scholarship, grant-in-aid and loan program recipients.*

Sec. 9. Minnesota Statutes 1976, Section 136A.17, Subdivision 3, is amended to read:

Subd. 3. The board may loan and guarantee the loan of money, upon such terms and conditions as the board may prescribe.

Sec. 10. Minnesota Statutes 1976, Section 136A.17, Subdivision 4, is amended to read:

Subd. 4. No loan or guarantee of a loan shall be made in excess of the maximum provided by pertinent federal laws and regulations and the aggregate unpaid principal amount of loans to any individual student shall not exceed the maximum provided in pertinent federal laws and regulations.

Sec. 11. Minnesota Statutes 1976, Section 136A.17, Subdivision 5, is amended to read:

Subd. 5. The board may insure make loans for vocational study to an individual student for a maximum of three academic years or their equivalent and loans for higher education to an individual student for a maximum of eight academic years of study or their equivalent.

Sec. 12. Minnesota Statutes 1976, Section 136A.17, Subdivision 6, is amended to read:

Subd. 6. No loans made ~~or guaranteed~~ by the board shall be made at an annual rate of interest in excess of the maximum prescribed in the National Vocational Student Loan Insurance Act of 1965 and the Higher Education Act of 1965, and any amendments thereof.

Sec. 13. Minnesota Statutes 1976, Section 136A.17, Subdivision 7, is amended to read:

Subd. 7. The benefits of the loan insurance program will not be denied any student because of his family income or lack of need if his adjusted annual family income at the time the note is executed is less than the maximum prescribed in the applicable federal regulations.

Sec. 14. Minnesota Statutes 1976, Section 136A.17, Subdivision 8, is amended to read:

Subd. 8. The repayment procedures applicable for loans made ~~or guaranteed~~ by the board shall be consistent with federal regulations governing interest payments under the National Vocational Student Loan Insurance Act of 1965 and the Higher Education Act of 1965.

Sec. 15. Minnesota Statutes 1976, Section 136A.171, is amended to read:

136A.171 [REVENUE BONDS; ISSUANCE; PROCEEDS.] The higher education coordinating board is hereby authorized to issue revenue bonds in an aggregate amount not to exceed \$90,000,000 for the purpose of obtaining funds for loans made in accordance with the provisions of this chapter. *The aggregate amount of revenue bonds, issued directly by the board, outstanding at any one time, not including refunding bonds, shall not exceed \$125,000,000.* Proceeds from the issuance of bonds may be held and invested by the board pending disbursement in the form of loans. All interest and profits from such investments shall inure to the benefit of the board and shall be available to the board for *the same purposes as the proceeds from the sale of revenue bonds including but not limited to costs incurred in administering loans under this chapter and for loan reserve funds.*

Sec. 16. Minnesota Statutes 1976, Section 136A.233, is amended to read:

136A.233 [WORK-STUDY GRANTS.] Subdivision 1. Notwithstanding the provisions of sections 136A.09 to 136A.131, the higher education coordinating board may offer work-study grants to *eligible* post-secondary institutions according to the full time equivalent enrollment of all eligible post-secondary institutions that apply to participate in the program. *Each institution wishing to receive a work-study grant shall submit to the board in accordance with policies and procedures established by the board an estimate of the amount of funds needed by the institution and the amount allocated to any institution shall not exceed the estimate of need submitted by the institution. Any funds which would be allocated to an institution according to full time equiv-*

alent enrollment but which exceed the estimate of need by the institution or the actual need of the institution may be reallocated by the board to other institutions for which the estimate of need exceeds the amount of allocation according to enrollment. "Eligible post-secondary institution" means any post-secondary institution eligible for participation in the Minnesota state scholarship and grant program as specified in section 136A.101, subdivision 4.

Subd. 2. For purposes of this subdivision sections 136A.231 to 136A.235, the following words have the meanings ascribed to them:

(a) "Eligible student" means a Minnesota resident enrolled or intending to enroll full time in a Minnesota post-secondary institution.

(b) "Financial need" means the need for financial assistance in order to attend a post-secondary institution as determined by a post-secondary institution according to guidelines established by the higher education coordinating board.

(c) "Eligible employer" means any eligible post-secondary institution and any nonprofit, nonsectarian agency located in the state of Minnesota and also includes a handicapped person or a person over 65 who employs a student to provide personal services in or about the residence of the handicapped person or the person over 65.

(d) "Eligible post-secondary institution" means any post-secondary institution eligible for participation in the Minnesota state scholarship and grant program as specified in section 136A.101, subdivision 4.

Subd. 3. Work-study payments shall be made to eligible students by post-secondary institutions as follows:

(a) Students shall be selected for participation in the program by the post-secondary institution on the basis of student financial need.

(b) No eligible student shall be employed under the state work-study program during the period when he or she is not a full time student; provided, with the approval of the institution, a full-time student who becomes a part-time student during an academic year may continue to be employed under the state work-study program for the remainder of the academic year.

(c) Students will be paid for hours actually worked and the maximum hourly rate of pay shall not exceed the maximum hourly rate of pay permitted under the federal college work-study program.

(d) Minimum pay rates will be determined by an applicable federal or state law.

(e) Not less than 20 percent of the compensation paid to the

student under the state work-study program shall be paid by the eligible employer.

(f) Not more than 50 percent of the institution's work-study allocation shall be used to employ students by the post-secondary institutions under the provisions of this program. Each post-secondary institution receiving funds for state work-study grants shall make a reasonable effort to place work-study students in employment with eligible employers outside the institution.

(g) The percent of the institution's work-study allocation provided to graduate students shall not exceed the percent of graduate student enrollment at the participating institution.

Sec. 17. *Subdivision 1. There is hereby created a part-time student grant-in-aid program under the supervision of the higher education coordinating board.*

Subd. 2. Institutions eligible for attendance by recipients of part-time student grants-in-aid shall be those institutions approved by the higher education coordinating board as eligible institutions for the state grant-in-aid program in accordance with Minnesota Statutes, Section 136A.101.

Subd. 3. Any student attending an eligible institution less than full-time and pursuing a program or course of study leading to a degree, diploma or certificate shall be eligible for a part-time student grant-in-aid.

Subd. 4. A recipient of a part-time grant-in-aid shall be selected by the post-secondary education institution of attendance in accordance with guidelines, criteria, policies and procedures established by the higher education coordinating board.

Subd. 5. The amount of any part-time student grant-in-aid award shall be based on the need of the applicant determined by the institution in accordance with policies established by the higher education coordinating board but the amount of an award shall not exceed the cost of tuition and required fees paid or to be paid by the student or the cost of tuition and fees for a comparable program at the university of Minnesota, whichever is the lesser.

Subd. 6. Part-time student grants-in-aid shall be awarded for a single term as defined by the institution in accordance with guidelines and policies of the higher education coordinating board. Awards shall not be renewable but the recipient of an award may apply for additional awards for subsequent terms.

Subd. 7. Funds appropriated for part-time student grants-in-aid shall be allocated among eligible institutions by the higher education coordinating board according to a formula which takes into account the number of part-time students enrolled in each institution and other relevant factors determined by the board.

Sec. 18. [APPROPRIATION.] *There is hereby appropriated from the general fund to the higher education coordinating board the sum of \$250,000 for the year ending on June 30, 1978 and the sum of*

\$500,000 for the year ending on June 30, 1979 for part-time student grants-in-aid in accordance with section 17 of this act. Any balance remaining after the first year of the biennium shall not cancel but shall carry over to the second year of the biennium.

Sec. 19. Subdivision 1. The program of grants for nursing students authorized by Minnesota Statutes, Section 148.286 shall be discontinued when commitments to nursing students made on or before June 30, 1977 have been fulfilled by the state board of nursing. The board of nursing shall continue to administer grants under commitments made on or before June 30, 1977, but the board of nursing shall not make any additional awards or commitments to students after June 30, 1977.

Subd. 2. Beginning on July 1, 1977, the higher education coordinating board shall administer a program of grants to nursing students.

Subd. 3. Grants to nursing students under the program authorized by subdivision 2 of this section shall be administered according to the terms and conditions of the state grant-in-aid program under Minnesota Statutes, Sections 136A.095 to 136A.131. Criteria for student eligibility and selection and terms of grants to nursing students, including the amount of grants and renewal of grants, shall be the same as for the state grant-in-aid program except that (1) in order to be eligible for a nursing grant, an applicant must be enrolled as a full time student in a nursing education program of an eligible college or vocational school for the purpose of meeting educational requirements prerequisite to licensure as a registered nurse or a licensed practical nurse as defined in Minnesota Statutes, Section 148.171 to 148.299, and (2) a nursing student shall be eligible to apply for a nursing grant for any year of the student's nursing program.

Subd. 4. A student who receives a nursing grant under subdivisions 2 and 3 shall not be eligible to receive a state scholarship or state grant-in-aid award for the same year.

Sec. 20. This act is effective the day following final enactment."

Further, amend the title by striking it in its entirety and inserting:

"A bill for an act relating to education; higher education coordinating board; student financial aid; changing certain requirements for scholarships, aids and grants to students; increasing the bonding and loan making authority of the board; transferring the program of nursing student grants to the board; appropriating money; amending Minnesota Statutes, 1976, Sections 124.48; 136A.121; 136A.144; 136A.16, Subdivisions 3, 4, 6 and 7; 136A.17, Subdivisions 3, 4, 5, 6, 7 and 8; 136A.171; 136A.233; and Chapter 136A, by adding a section."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Peter Fugina, Carl Kroening, Ray Faricy

Senate Conferees: (Signed) Timothy Penny, Roger Moe, Douglas Sillers

Mr. Penny moved that the foregoing recommendations and Conference Committee Report on H. F. No. 559 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. 559: A bill for an act relating to education; higher education coordinating board; student financial aid; changing certain requirements for scholarships, aids and grants to students; increasing the bonding and loan making authority of the board; transferring the program of nursing student grants to the board; appropriating money; amending Minnesota Statutes 1976, Sections 124.48; 136A.121; 136A.144; 136A.16, Subdivisions 3, 4, 6 and 7; 136A.17, Subdivisions 3, 4, 5, 6, 7 and 8; 136A.171; 136A.233; and Chapter 136A, by adding a section.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Frederick	Knoll	Olson	Spear
Bang	Gearty	Knutson	Penny	Stokowski
Benedict	Gunderson	Laufenburger	Peterson	Strand
Bernhagen	Hanson	Lessard	Purfeerst	Stumpf
Borden	Hughes	Luther	Renneke	Tennesen
Brataas	Humphrey	Menning	Schrom	Ulland, J.
Coleman	Johnson	Merriam	Setzepfandt	Vega
Davies	Keefe, J.	Moe	Sikorski	Wegener
Dieterich	Kirchner	Nelson	Sillers	Willet
Dunn	Kleinbaum	Olhoff	Solon	

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 recommendation and report of the Conference Committee on House File No. 343 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 343: A bill for an act relating to obscenity; prohibiting the dissemination of obscene photographs or other similar visual representations which depict minors involved in scenes of patently offensive sexual conduct; prescribing penalties; amending Minnesota Statutes 1976, Chapter 617, by adding a section.

House File No. 343 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 343

A bill for an act relating to obscenity; prohibiting the dissemination of obscene photographs or other similar visual rep-

resentations which depict minors involved in scenes of patently offensive sexual conduct; prescribing penalties; amending Minnesota Statutes 1976, Chapter 617, by adding a section.

May 20, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 343 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. 343 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Chapter 617, is amended by adding a section to read:

[617.246] [PROHIBITING PROMOTION OF MINORS TO ENGAGE IN OBSCENE WORKS.] *Subdivision 1. [DEFINITIONS.] (a) For the purpose of this section, the terms defined in this subdivision shall have the meanings given them.*

(b) "Minor" means any person who has not attained his or her 18th birthday.

(c) "Promote" means to produce, direct, publish, manufacture, issue, or advertise.

(d) "Sexual performance" means any play, dance or other exhibition presented before an audience or for purposes of visual or mechanical reproduction which depicts patently offensive sexual conduct as defined by clause (f).

(e) "An obscene work" is a picture, a film, photograph, negative, slide, drawing or similar visual representation depicting a minor, which taken as a whole appeals to pedophiles or to the prurient interest in sex of the average person, which portrays patently offensive sexual conduct and which, taken as a whole, does not have serious literary, artistic, political or scientific value. In determining whether or not a work is an obscene work the trier of the fact must find: (i) that the average person, applying contemporary community standards would find that the work, taken as a whole appeals to pedophiles or to the prurient interest in sex of the average person; and (ii) that the work depicts patently offensive sexual conduct specifically defined by clause (f); and (iii) that the work, taken as a whole, lacks serious literary, artistic, political or scientific value.

(f) "Patently offensive sexual conduct" includes any of the following depicted sexual conduct if the depiction involves a minor:

(i) An act of sexual intercourse, normal or perverted, actual or simulated, including genital-genital, anal-genital, or oral-

genital intercourse, whether between human beings or between a human being and an animal.

(ii) Sadoomasochistic abuse, meaning flagellation or torture by or upon a person who is nude or clad in undergarments or in a revealing costume or the condition of being fettered, bound or otherwise physically restrained on the part of one so clothed.

(iii) Masturbation or lewd exhibitions of the genitals including any explicit, close up representation of a human genital organ.

(iv) Physical contact or simulated physical contact with the clothed or unclothed pubic areas or buttocks of a human male or female, or the breasts of the female, whether alone or between members of the same or opposite sex or between humans and animals in an act of apparent sexual stimulation or gratification.

Subd. 2. [USE OF MINOR.] It is unlawful for a person to knowingly promote, employ, use or permit a minor to engage in or assist others to engage in posing or modeling alone or with others in any sexual performance for purposes of preparing an obscene work.

A violation of this subdivision is a felony.

Subd. 3. [OPERATION OR OWNERSHIP OF BUSINESS.] A person who owns or operates a business in which an obscene work, as defined in this section, is disseminated, and who knows the content and character of the obscene work disseminated, is guilty of a felony.

Subd. 4. [DISSEMINATION.] A person who, knowing its content and character, disseminates for profit an obscene work, as defined in this section, is guilty of a misdemeanor.

Sec. 2. [EFFECTIVE DATE.] This act is effective July 1, 1977."

Further, amend the title by deleting it in its entirety and inserting:

"A bill for an act relating to obscenity; prohibiting the promotion or employment of minors as models alone or with others in sexual performances for purposes of preparing an obscene work; prohibiting the ownership or operation of a business which disseminates certain obscene works; prohibiting the dissemination of certain obscene works; prescribing penalties; amending Minnesota Statutes 1976, Chapter 617, by adding a section."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Ken Nelson, Mary Forsythe, Janet Clark

Senate Conferees: (Signed) Wayne Olhoft, John Bernhagen, Jack Davies

Mr. Olhoft moved that the foregoing recommendations and Conference Committee Report on H. F. No. 343 be now adopted, and that the bill be repassed as amended by the Conference Com-

mittee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 343: A bill for an act relating to obscenity; prohibiting the promotion or employment of minors as models alone or with others in sexual performances for purposes of preparing an obscene work; prohibiting the ownership or operation of a business which disseminates certain obscene works; prohibiting the dissemination of certain obscene works; prescribing penalties; amending Minnesota Statutes 1976, Chapter 617, by adding a section.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearly	Knutson	Peterson	Spear
Bang	Gunderson	Laufenburger	Pillsbury	Stokowaki
Benedict	Hanson	Lessard	Purfeerst	Strand
Bernhagen	Hughes	Luther	Renneke	Stumpf
Borden	Humphrey	Menning	Schmitz	Tennessee
Brataas	Johnson	Merriam	Schrom	Ulland, J.
Davies	Keefe, J.	Nelson	Setzepfandt	Vega
Dieterich	Kirchner	Olhoft	Sikorski	Wegener
Dunn	Kleinbaum	Olson	Sillers	Willet
Frederick	Knoll	Penny	Solon	

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 recommendation and report of the Conference Committee on House File No. 6 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 6: A bill for an act relating to human rights; prohibiting employment and education discrimination based on age; amending Minnesota Statutes 1976, Sections 363.01, by adding a subdivision; 363.02, Subdivision 1, and by adding a subdivision; 363.03, Subdivisions 1 and 5, and by adding a subdivision; 363.05, Subdivision 1; 363.11; 363.115; and 363.12, Subdivision 1.

House File No. 6 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 6

A bill for an act relating to human rights; prohibiting employ-

ment and education discrimination based on age; amending Minnesota Statutes 1976, Sections 363.01, by adding a subdivision; 363.02, Subdivision 1, and by adding a subdivision; 363.03, Subdivisions 1 and 5, and by adding a subdivision; 363.05, Subdivision 1; 363.11; 363.115; and 363.12, Subdivision 1.

May 20, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 6, 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. 6 be amended as follows:

Page 2, line 11, after "(4)" insert "*An age restriction applied uniformly and without exception to all individuals established by a bona fide apprenticeship program established pursuant to Minnesota Statutes, Chapter 178, which limits participation to persons who enter the program prior to some specified age and the trade involved in the program predominantly involves heavy physical labor or work on high structures. Neither shall*"

Page 2, line 14, delete "shall not"

Page 2, line 23, delete the period and insert a semicolon

Page 2, after line 23, insert

"(6) A restriction imposed by state statute, home rule charter, ordinance, or civil service rule, and applied uniformly and without exception to all individuals, which establishes a maximum age for entry into employment as a peace officer or firefighter.

(7) Nothing in this chapter concerning age discrimination shall be construed to validate or permit age requirements which have a disproportionate impact on persons of any class otherwise protected by section 363.03, subdivisions 1 or 5."

Page 3, after line 9, insert:

"Sec. 4. Minnesota Statutes 1976, Section 363.02, is amended by adding a subdivision to read:

Subd. 7. [SUMMER YOUTH EMPLOYMENT PROGRAM.] The provisions of section 363.03, subdivision 1, with regard to age shall not apply to the state summer youth employment program administered by the commissioner of employment services."

Page 9, after line 6, insert

"(25) cooperate and consult with the commissioner of labor and industry regarding the investigation of violations of, and resolution of complaints regarding section 363.03, subdivision 9."

Page 10, after line 27, insert

"Sec. 12. [APPROPRIATIONS.] *The following sums are appropriated from the general fund to the commissioner of human rights for the processing of age discrimination complaints as provided for by this act, to be available for the fiscal year ending June 30 in the year indicated. The approved complement of the department of human rights is increased by three persons.*

	1978	1979
	\$50,000	\$50,000"

Renumber the sections in sequence

Further, amend the title as follows:

Page 1, line 3, after the semicolon insert "requiring consultation between the department of human rights and the department of labor and industry; appropriating money;"

Page 1, line 6, strike "a subdivision" and insert "subdivisions"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Stanley Enebo, Al Patton, Phyllis Kahn

Senate Conferees: (Signed) Allan Spear, John Keefe, Roger Laufenburger

Mr. Spear moved that the foregoing recommendations and Conference Committee Report on H. F. No. 6 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. 6: A bill for an act relating to human rights; prohibiting employment and education discrimination based on age; requiring consultation between the department of human rights and the department of labor and industry; appropriating money; amending Minnesota Statutes 1976, Sections 363.01, by adding a subdivision; 363.02, Subdivision 1, and by adding subdivisions; 363.03, Subdivisions 1 and 5, and by adding a subdivision; 363.05, Subdivision 1; 363.11; 363.115; and 363.12, Subdivision 1.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 46 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Hanson	Lessard	Purfeerst	Strand
Benedict	Hughes	Luther	Renneke	Stumpf
Bernhagen	Humphrey	Menning	Schaaf	Tennessee
Borden	Johnson	Merriam	Schmitz	Ulland, J.
Brataas	Keefe, J.	Moe	Schrom	Vega
Dieterich	Kirchner	Nelson	Setzepfandt	Willet
Dunn	Kleinbaum	Olhoff	Sikorski	
Frederick	Knoll	Olson	Sillers	
Gearty	Knutson	Penny	Spear	
Gunderson	Laufenburger	Peterson	Stokowski	

So the bill, as amended by the Conference Committee, was re-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. 875 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 875: A bill for an act relating to the state housing finance agency; setting the amount of bonds and notes that may be outstanding; clarifying eligibility; providing for fund administration and repayment requirements; appropriating money; amending Minnesota Statutes 1976, Sections 462A.03, Subdivisions 7 and 13; 462A.05, Subdivisions 5 and 15; 462A.07, Subdivision 12, and by adding subdivisions; 462A.21, Subdivisions 4a and 4b, and by adding a subdivision; and 462A.22, Subdivision 1.

House File No. 875 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 875

A bill for an act relating to the state housing finance agency; setting the amount of bonds and notes that may be outstanding; clarifying eligibility; providing for fund administration and repayment requirements; appropriating money; amending Minnesota Statutes 1976, Sections 462A.03, Subdivisions 7 and 13; 462A.05, Subdivisions 5 and 15; 462A.07, Subdivision 12, and by adding subdivisions; 462A.21, Subdivisions 4a and 4b, and by adding a subdivision; and 462A.22, Subdivision 1.

May 19, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 875, 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. 875 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 462.555, is amended to read:

462.555 [MANNER OF BOND ISSUANCE; SALE.] Bonds of

an authority shall be authorized by its resolution and may be issued in one or more series and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, not exceeding seven percent per annum, be in such denomination or denominations, be in such form either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment at such place or places, and be subject to such terms of redemption (with or without premium) as ~~such~~ *the* resolution, its trust indenture or mortgage may provide. The bonds may be sold at public or private sale at not less than par. Any provision of any law to the contrary notwithstanding, any bonds issued pursuant to sections 462.415 to 462.711 shall be fully negotiable. In any suit, action, or proceedings involving the validity or enforceability of any bonds of an authority or the security therefor, any ~~such~~ bond reciting in substance that it has been issued by the authority to aid in financing a project, as herein defined, shall be conclusively deemed to have been issued for ~~such~~ *that* purpose, and ~~such~~ *the* project shall be conclusively deemed to have been planned, located, and carried out in accordance with the purposes and provisions of sections 462.415 to 462.711. *Notwithstanding any other provision of this section, an authority is authorized to execute a note secured by a first mortgage at a rate of interest in excess of seven percent per annum with the Minnesota housing finance agency, pursuant to chapter 462A, to finance a housing project which is subsidized in whole or in part with money provided by the federal government.*

In cities of the first class, the governing body of the city must approve all notes executed with the Minnesota housing finance agency pursuant to this section, when the interest rate on the note exceeds seven percent.

Sec. 2. Minnesota Statutes 1976, Section 462A.03, Subdivision 7, is amended to read:

Subd. 7. "Residential housing" means a specific work or improvement within this state undertaken primarily to provide residential care facilities for mentally ill, mentally deficient, physically handicapped, and drug dependent persons licensed or potentially eligible for licensure under rules promulgated by the commissioner of public welfare, or to provide dwelling accommodations for persons and families of low and moderate income and for ~~other~~ *other persons and families* when determined to be necessary in furtherance of the policy of *economic integration* stated in section 462A.02, subdivision 6, including land development and the acquisition, construction or rehabilitation of buildings and improvements thereto, for residential housing, and such other nonhousing facilities as may be incidental or appurtenant thereto.

Sec. 3. Minnesota Statutes 1976, Section 462A.03, Subdivision 13, is amended to read:

Subd. 13. "Eligible mortgagor" means a nonprofit or cooperative housing corporation, limited profit entity or a builder as

the same are defined by the agency in its rules, which sponsors or constructs residential housing as defined in subdivision 7, or a natural person of low or moderate income, except that the return to a limited dividend entity shall not exceed six percent of the capital contribution of the investors or such lesser percentage as the agency shall establish in its rules. Owners of existing residential housing occupied by renters shall be eligible for rehabilitation loans, only if, as a condition to the issuance of the loan, the owner agrees to conditions established by the agency in its rules relating to rental or other matters that will insure that the housing will be occupied by persons and families of low or moderate income. The agency shall require by rules that the owner give preference to those persons of low or moderate income who occupied the residential housing at the time of application for the loan.

Sec. 4. Minnesota Statutes 1976, Section 462A.05, Subdivision 3, is amended to read:

Subd. 3. It may agree to purchase, make, or otherwise participate in the making and enter into commitments for the purchase, making, or participation in the making of long term eligible mortgage loans to sponsors of residential housing for occupancy by persons and families of low and moderate income, or to persons and families of low and moderate income who may purchase such residential housing. Such The loans shall be made only upon determination by the agency that long term mortgage loans are not otherwise available, wholly or in part, from private lenders upon equivalent terms and conditions. *In establishing maximum mortgage amounts and maximum purchase prices for single family dwellings, the agency shall take into account housing cost differences in the regions of the state.*

Sec. 5. Minnesota Statutes 1976, Section 462A.05, Subdivision 5, is amended to read:

Subd. 5. It may make temporary loans solely to "nonprofit" or "cooperative housing" sponsors as defined by the agency, with or without interest, and with such security for repayment, if any, as the agency determines reasonably necessary and practicable, solely from the housing development fund, in accordance with the provisions of section 462A.21, to defray development costs to sponsors of residential housing construction for occupancy by persons and families of low and moderate income which development costs are eligible or potentially eligible for construction loans or mortgages.

Sec. 6. Minnesota Statutes 1976, Section 462A.05, Subdivision 14, is amended to read:

Subd. 14. It may agree to purchase, make, or otherwise participate in the making, and may enter into commitments for the purchase, making, or participation in the making, of eligible loans for rehabilitation to persons and families of low and moderate income, and to owners of existing residential housing for occupancy by such persons and families, for the rehabilitation of existing residential housing owned by them. Such The loans may be

insured or uninsured and may be made with ~~such~~ security, or may be unsecured, as the agency deems advisable. *The loans may be in addition to or in combination with long term eligible mortgage loans under subdivision 3 of this section.* They may be made in amounts sufficient to refinance existing indebtedness secured by the property, if ~~such~~ refinancing is determined by the agency to be necessary to permit the owner to meet his housing cost without expending an unreasonable portion of his income thereon. No loan for rehabilitation shall be made unless the agency determines that ~~such~~ *the* loan will be used primarily to make the housing more desirable to live in, to increase the market value of the housing, for compliance with state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing, or to accomplish energy conservation related improvements. In unincorporated areas and municipalities not having ~~such~~ codes and standards, the agency may, solely for the purpose of administering the provisions of this chapter, establish ~~such~~ codes and standards. No loan for rehabilitation of any property shall be made in an amount which, with all other existing indebtedness secured by the property, would exceed its market value, as determined by the agency. No loan for rehabilitation of owner occupied residential housing shall be denied solely because the loan will not be used for placing ~~such~~ *the* residential housing in full compliance with all state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing. Rehabilitation loans shall be made only when the agency determines that financing is not otherwise available, in whole or in part, from private lenders upon equivalent terms and conditions.

Sec. 7. Minnesota Statutes 1976, Section 462A.05, Subdivision 15, is amended to read:

Subd. 15. It may make grants to persons and families of low and moderate income to pay or to assist in paying a loan made pursuant to subdivision 14, or to rehabilitate or to assist in rehabilitating existing residential housing owned or occupied by such persons or families. For the purposes of this section, persons of low and moderate income include administrators appointed pursuant to section 566.25, clause (c). No ~~such~~ grant shall be made unless the agency determines that ~~such~~ *the* grant will be used primarily to make the housing more desirable to live in, to increase the market value of the housing or for compliance with state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing, ~~or to accomplish energy conservation related improvements.~~ In unincorporated areas and municipalities not having ~~such~~ codes and standards, the agency may, solely for the purpose of administering this provision, establish ~~such~~ codes and standards. No grant for rehabilitation of owner occupied residential housing shall be denied solely because the grant will not be used for placing ~~such~~ *the* residential housing in full compliance with all state, county or municipal building, housing maintenance, fire, health or similar codes and standards applicable to housing, ~~or to accomplish energy conservation related improvements.~~ The amount of any

such grant shall not exceed the lesser of (a) \$5,000, or (b) the actual cost of the work performed, or (c) that portion of the cost of rehabilitation which the agency determines cannot otherwise be paid by such the person or family without spending an unreasonable portion of the income of such the person or family thereon ; *provided, however, that a grant may exceed \$5,000 by an amount, up to \$2,500, necessary to improve the accessibility of residential housing to a handicapped occupant* . In making ~~such~~ grants, the agency shall determine the circumstances under which and the terms and conditions under which all or any portion thereof will be repaid and shall determine the appropriate security should such repayment be required.

The agency may also make grants to rehabilitate or to assist in rehabilitating housing under this subdivision to persons of low and moderate income for the purpose of qualifying as foster parents.

Sec. 8. Minnesota Statutes 1976, Section 462A.05, is amended by adding a subdivision to read:

Subd. 18. It may make loans solely to "non-profit" sponsors as defined by the agency, with or without interest, and with such security for repayment, if any, as the agency determines reasonably necessary and practicable, solely from the housing development fund in accordance with the provisions of section 18, to encourage innovations in the development or rehabilitation of single and multifamily residential housing including the demonstration of new techniques for energy efficient construction.

It shall promulgate rules, in accordance with the provisions of sections 15.0411 to 15.052, relating to the administration of the loans authorized by this subdivision. The rules may define types of projects eligible for loans, criteria for selecting between eligible loans, terms of the loans including interest rates and loan periods, and other characteristics that the agency deems necessary to administer the program.

Sec. 9. Minnesota Statutes 1976, Chapter 462A, is amended by adding a section to read:

[462A.065] [FINANCIAL INFORMATION.] *Financial information, including but not limited to credit reports, financial statements and net worth calculations, received or prepared by the agency regarding any agency loan or grant and the name of each individual who is the recipient of an agency grant are private data on individuals, pursuant to section 15.162, subdivision 5a.*

Sec. 10. Minnesota Statutes 1976, Section 462A.07, is amended by adding a subdivision to read:

Subd. 3a. It shall make available technical assistance to potential applicants to encourage applications for multifamily housing projects which afford residents participation in the ownership or management of the project.

Sec. 11. Minnesota Statutes 1976, Section 462A.07, is amended by adding a subdivision to read:

Subd. 5a. It may enter into agreements with housing and redevelopment authorities or other appropriate local governmental units to foster multifamily housing rehabilitation and shall act to develop the agreements. It may give advance reservations of mortgage financing and federal rent subsidies as part of the agreements, with the understanding that the agency will only approve the mortgage loans pursuant to normal procedures, and may adopt special procedures designed to meet problems inherent in a program of multifamily housing rehabilitation. The agreements may include the United States department of housing and urban development when desirable and appropriate.

Sec. 12. Minnesota Statutes 1976, Section 462A.07, Subdivision 12, is amended to read:

Subd. 12. It may delegate, use or employ any federal, state, regional or local public or private agency or organization, including organizations of physically handicapped persons, upon such terms as it deems necessary or desirable, to assist in the exercise of any of the powers granted in Laws 1974, Chapter 441 sections 462A.01 to 462A.24 and to carry out the objectives of Laws 1974, Chapter 441, sections 462A.01 to 462A.24 and may pay for such the services from the housing development fund.

Sec. 13. Minnesota Statutes 1976, Section 462A.09, is amended to read:

462A.09 [BONDS AND NOTES; RESOLUTIONS AUTHORIZING, ADDITIONAL TERMS, SALE.] The notes and bonds of the agency shall be authorized by a resolution or resolutions adopted by the agency, shall bear such date or dates, shall mature at such time or times, shall bear interest at such rate or rates, be in such denominations, be in such form, carry such registration privileges, be executed in such manner, be payable in lawful money of the United States of America, at such place or places within or without the state, and be subject to such terms of redemption prior to maturity as such 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 agency may be sold at public or private sale, at such price or prices as the agency shall determine ; *provided that in no event shall the net proceeds to the agency of any issuance of bonds be less than 98 percent of the face amount of the bonds. Prior to the sale of notes and bonds, the agency shall consult with the executive secretary of the state board of investment on the terms and conditions of the bonds and appropriate underwriting fees. The executive secretary of the state board of investment shall participate in the negotiations for the sale of bonds of the agency .*

Sec. 14. Minnesota Statutes 1976, Section 462A.20, Subdivision 2, is amended to read:

Subd. 2. There shall be paid into the housing development fund:

(a) Any moneys appropriated and made available by the state for the purposes of the fund;

(b) Any moneys which the agency receives in repayment of advances made from the fund;

(c) Any other moneys which may be made available to the authority agency for the purpose of the fund from any other source or sources;

(d) All fees and charges collected by the agency;

(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 ; *but the agency shall not expend money for its cost of general administration of agency programs in any fiscal year in excess of such limit for such fiscal year as may be established by law. "Cost of general administration of agency programs" does not include debt service, amortization of deferred financing costs, loan origination costs, professional and other contractual services, any deposit or expenditure required to be made by the provisions of a bond or note resolution or indenture, or any deposit or expenditure made to preserve the security for the bonds or notes.*

Sec. 15. Minnesota Statutes 1976, Section 462A.21, Subdivision 4a, is amended to read:

Subd. 4a. It may make rehabilitation grants and expenditures for correction of residential housing defects as provided in section 462A.05, subdivisions 15 and 16. *In order to insure the preservation of the maximum number of housing units with the money appropriated by the legislature, grants shall be recovered by the agency to the extent provided in this section to be used for future grants. Grants made under the terms of this subdivision shall contain a requirement that the grant be recovered by the agency in accordance with the following schedule:*

(1) *If the property is sold, transferred, or otherwise conveyed within the first three years after the date of a grant, the recipient shall repay the full amount of the grant;*

(2) *If the property is sold, transferred, or otherwise conveyed within the fourth year after the date of a grant, the recipient shall repay 75 percent of the amount of the grant;*

(3) *If the property is sold, transferred, or otherwise conveyed within the fifth year after the date of a grant, the recipient shall repay 50 percent of the amount of the grant;*

(4) *If the property is sold, transferred, or otherwise conveyed within the sixth year after the date of a grant, the recipient shall repay 25 percent of the amount of the grant;*

(5) *If the property is sold, transferred, or otherwise conveyed within the seventh year after the date of the grant, or thereafter, there is no repayment requirement; provided that no repayment is required to the extent that the grants are made to improve the accessibility of residential housing to a handicapped occupant.*

Sec. 16. Minnesota Statutes 1976, Section 462A.21, Subdivision 4b, is amended to read:

Subd. 4b. It may establish loan funds and may make eligible loans from them, at rates of interest and with security as the agency deems advisable, if each loan is determined by the agency to be necessary to permit the occupant of residential housing financed wholly or in part by any such the loan to meet his housing costs without expending an unreasonable portion of his income on them. It may combine loan funds established pursuant to legislative appropriations with loan funds established for the same or similar purposes pursuant to the sale of its notes or bonds, and such combined funds may be deposited with a trustee. Each combined fund, including loan and investment principal and income received therefrom, shall be administered, disbursed, and collected as provided in the appropriation act and the resolution or indenture securing the bonds or notes.

Sec. 17. Minnesota Statutes 1976, Section 462A.21, is amended by adding a subdivision to read:

Subd. 8. It may establish a home ownership assistance fund, on terms and conditions it deems advisable, to assist persons and families of low and moderate income in making down payments and paying installments of eligible loans for affordable residential housing and may use the assistance payments to provide additional security for eligible loans. Any assistance in making down payments shall not exceed \$1,000 and shall be repaid in full without interest. Any assistance for payment of installments of an eligible loan shall not exceed \$75 per month; shall be applied against the monthly installments of the eligible loan; shall decrease over the term of the assistance payments, which shall not exceed 15 years; and shall be repaid in full without interest not later than the date on which the eligible loan is fully repaid.

Sec. 18. Minnesota Statutes 1976, Section 462A.21, is amended by adding a subdivision to read:

Subd. 9. It may make loans to encourage innovations in the development or rehabilitation of single or multifamily residential housing pursuant to section 8. Loans pursuant to this subdivision shall only be made with money appropriated directly by the legislature specifically for this purpose.

Sec. 19. Minnesota Statutes 1976, Section 462A.21, is amended by adding a subdivision to read:

Subd. 10. Notwithstanding the repeal of section 462A.26 and the provisions of section 16A.28 or any other law relating to lapse of an appropriation, the appropriations made to the agency by the legislature in 1976 and subsequent years are available until fully expended, and the allocations provided in the appropriations remain in effect. Earnings from investments of any of the amounts appropriated to the agency are appropriated to the agency to be used for the same purposes as the respective original appropriations.

Sec. 20. Minnesota Statutes 1976, Section 462A.22, Subdivision 1, is amended to read:

462A.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) ~~\$100,000,000~~ \$175,000,000 issued for the purpose of providing funds for rehabilitation loans, or refunding bonds or notes issued for this purpose, plus

(b) ~~\$500,000,000~~ \$725,000,000 issued for other purposes specified in section 462A.08.

Sec. 21. Minnesota Statutes 1976, Section 462A.22, is amended by adding a subdivision to read:

Subd. 1a. Not less than ten percent of the proceeds of the additional bonds authorized by this act for subdivision 1, paragraph (b) which are used for the purpose of providing for multi-family residential housing shall be allocated by the agency for eligible loans involving the rehabilitation of existing buildings.

Sec. 22. Minnesota Statutes 1976, Section 462A.22, Subdivision 9, is amended to read:

Subd. 9. The agency shall also submit a biennial report of its activities, projected activities, receipts, and expenditures for the next biennium, to the governor and the legislature on or before January 15 in each odd-numbered year. The report shall include the distribution of money under each agency program by county, except for counties containing a city of the first class, where the distribution shall be reported by municipality. Within cities of the first class, the distribution of agency money shall be reported by census tract.

Sec. 23. [EMERGENCY RULES.] *For the purposes of implementing the provisions of section 17, the agency may adopt emergency rules under the provisions of section 15.0412, subdivision 5. No emergency rules may be adopted pursuant to this section after April 1, 1978.*

Sec. 24. [REPEALER.] *Minnesota Statutes 1976, Section 462A.26, is repealed.*

Sec. 25. *The approved complement of the Minnesota housing finance agency and the limit on its cost of general administration of agency programs shall be as follows for the fiscal year ending June 30, 1978.*

Approved Complement	Cost Limit
90	\$1,851,000

Sec. 26. [APPROPRIATION.] *Subdivision 1. The sums set forth in this section are appropriated from the general fund to the housing development fund created in Minnesota Statutes, Section 462A.20, for the purposes specified in this section and for the payment of related costs and expenses.*

Subd. 2. For making rehabilitation grants to persons and

families of low income, as provided in Minnesota Statutes, Section 462A.21, Subdivision 4a, of which not less than \$500,000 shall be used for improving accessibility of housing occupied by persons who are physically handicapped. \$21,500,000.

Subd. 3. For making low interest rate rehabilitation loans to persons and families of low and moderate income, as provided in Minnesota Statutes, Section 462A.21, Subdivisions 4b and 7 \$10,000,000.

Subd. 4. For the home ownership assistance fund provided in section 17. \$7,500,000.

Subd. 5. For the innovative development and rehabilitation loans provided in section 18 and construction of innovative homes as provided in section 27. \$1,000,000.

Sec. 27. There shall be allocated the sum of \$10,000 of the money appropriated in section 26, subdivision 5, for a feasibility study by the Minnesota housing finance agency in consultation with the Minnesota energy agency for the design and construction of single family homes as described in this section.

(a) Up to \$490,000 of the funds appropriated in section 26, subdivision 5, may be expended for construction of single family homes which shall demonstrate new and innovative technologies for conserving energy including passive energy systems, use of underground construction, and solar energy heating and cooling systems. They may be constructed as to allow continued study of the technologies used.

(b) Section 16.821 to section 16.867 shall not apply to the construction of homes pursuant to this section. Notwithstanding section 16.07 or any provision of the law to the contrary, contracts may be negotiated for the design and construction of the single family homes by the Minnesota housing finance agency.

(c) Money may be expended pursuant to this section by the Minnesota housing finance agency, only after consultation with and after obtaining advice from the legislative commission on Minnesota resources. A proposal for the homes shall be submitted to the commission by September 1, 1977, and shall be acted upon by the commission by July 1, 1978. Construction plans for the homes shall be reviewed and approved by the Minnesota housing finance agency in consultation with the Minnesota energy agency.

(d) All money not expended in accordance with this section shall be used by the Minnesota housing finance agency for the purposes stated in sections 8 and 18.

Sec. 28. [EFFECTIVE DATE.] Sections 1 and 9 of this act are effective on the day following final enactment."

Further amend the title by striking in its entirety and inserting:

"A bill for an act relating to housing; providing an exception to the interest limitation for borrowing by housing and redevelopment authorities; making certain changes in the laws

relating to the operation of the housing finance agency; making cooperatives eligible for housing finance agency programs; establishing certain loan and assistance programs; increasing the bonding limitations of the agency; providing for a demonstration project for energy conserving construction; appropriating money; amending Minnesota Statutes 1976, Sections 462.555; 462A.03, Subdivisions 7 and 13; 462A.05, Subdivisions 3, 5, 14, 15, and by adding a subdivision; 462A.07, Subdivision 12, and by adding subdivisions; 462A.09; 462A.20, Subdivision 2; 462A.21, Subdivisions 4a, 4b, and by adding subdivisions; and 462A.22, Subdivisions 1 and 9, and by adding a subdivision; and Chapter 462A, by adding a section; repealing Minnesota Statutes 1976, Section 462A.26."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Carl Kroening, Walter Hanson, Donald Friedrich

Senate Conferees: (Signed) Franklin J. Knoll, Jerald C. Anderson, Gerald L. Willet

Mr. Knoll moved that the foregoing recommendations and Conference Committee Report on H. F. No. 875 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. 875: A bill for an act relating to housing; providing an exception to the interest limitation for borrowing by housing and redevelopment authorities; making certain changes in the laws relating to the operation of the housing finance agency; making cooperatives eligible for housing finance agency programs; establishing certain loan and assistance programs; increasing the bonding limitations of the agency; providing for a demonstration project for energy conserving construction; appropriating money; amending Minnesota Statutes 1976, Sections 462.555; 462A.03, Subdivisions 7 and 13; 462A.05, Subdivisions 3, 5, 14, 15, and by adding a subdivision; 462A.07, Subdivision 12, and by adding subdivisions; 462A.09; 462A.20, Subdivision 2; 462A.21, Subdivisions 4a, 4b, and by adding subdivisions; and 462A.22, Subdivisions 1 and 9, and by adding a subdivision; and Chapter 462A, by adding a section; repealing Minnesota Statutes 1976, Section 462A.26.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 48 and nays 0, as follows:

Those who voted in the affirmative were:

Bang	Coleman	Gunderson	Keefe, J.	Lewis
Benedict	Dieterich	Hanson	Kleinbaum	Luther
Bernhagen	Engler	Hughes	Knoll	Menning
Borden	Frederick	Humphrey	Laufenburger	Merriam
Brataas	Gearty	Johnson	Lessard	Moe

Nelson	Peterson	Setzpfandt	Spear	Ulland, J.
Olhoft	Purfeerst	Sieloff	Staples	Vega
Olson	Schaaf	Sikorski	Strand	Willet
Penny	Schmitz	Sillers	Stumpf	
Perpich	Schrom	Solon	Tennessen	

So the bill, as amended by the Conference Committee, was re-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. 451 and re-passed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 451: A bill for an act relating to banks; authorizing a bank to establish two detached banking facilities; providing for notice and approval procedures; amending Minnesota Statutes 1976, Sections 47.51; 47.52; 47.53; 47.54; and 47.55.

House File No. 451 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 451

A bill for an act relating to banks; authorizing a bank to establish two detached banking facilities; providing for notice and approval procedures; amending Minnesota Statutes 1976, Sections 47.51; 47.52; 47.53; 47.54; and 47.55.

May 19, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 451, 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. 451 be amended as follows:

Page 1, line 20, after "from" insert "the closest points of"

Page 1, line 20, delete "structure" and insert "structures"

Page 2, line 25, before "With" insert "(a)"

Page 3, line 2, delete ", notwithstanding municipal boundaries."

Page 3, line 4, delete "point" and insert "points"

Page 3, line 5, delete "structure" and insert "structures"

Page 3, line 5, after "within" insert "25 miles of its principal office measured in a straight line from the closest points of the closest structures involved, if the detached facility is within"

Page 3, line 6, delete "provided such" and insert "or if the detached facility is in a municipality having a population of more than 10,000, according to the last previous United States census, or if the detached facility is located in a municipality having a population of 10,000 or less and all the banks having a principal office in the municipality have consented in writing to the establishment of the facility"

Page 3, delete line 7

Page 3, line 8, delete "bank" and after the period insert "(b)"

Page 3, line 10, delete the new language

Page 3, delete line 11

Page 3, line 12, delete "bank is located" and insert "and"

Page 3, line 13, delete "and"

Page 3, delete line 14

Page 3, line 15, delete the new language

Page 3, line 17, delete the new language and strike "The preceding" and insert "This clause"

Page 4, line 5, strike "of", delete "\$1,000" and insert "equal to the actual costs incurred by the commissioner in approving or disapproving the application"

Page 5, line 5, strike "at his office"

Page 5, line 15, after the period insert "The hearing shall be conducted by the commissioner in accordance with the provisions of the administrative procedures act, Minnesota Statutes, Sections 15.0411 to 15.052, governing contested cases, including the provisions of the act relating to judicial review of agency decisions."

Page 6, line 6, strike "one" and insert "two"

Page 6, line 7, strike "facility" and insert "facilities"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) John Corbid, Michael George, Walter Hanson, Bernard Brinkman, Douglas Ewald

Senate Conferees: (Signed) Jack I. Kleinbaum, Sam Solon, Otto T. Bang, Jr., Winston W. Borden, Jack Davies

Mr. Kleinbaum moved that the foregoing recommendations and Conference Committee Report on H. F. No. 451 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. 451: A bill for an act relating to banks; authorizing

a bank to establish two detached banking facilities; providing for notice and approval procedures; amending Minnesota Statutes 1976, Sections 47.51; 47.52; 47.53; 47.54; and 47.55.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 47 and nays 5, as follows:

Those who voted in the affirmative were:

Ashbach	Engler	Lessard	Pillsbury	Spear
Bang	Frederick	Lewis	Purfeerst	Staples
Benedict	Gearty	Luther	Schaaf	Stokowski
Bernhagen	Hanson	Menning	Schmitz	Stumpf
Borden	Hughes	Moe	Schrom	Tennessen
Brataas	Humphrey	Nelson	Setzepfandt	Ulland, J.
Coleman	Johnson	Olhoff	Sieloff	Willet
Davies	Kirchner	Olson	Sikorski	
Dieterich	Kleinbaum	Perpich	Sillers	
Dunn	Knoll	Peterson	Solon	

Those who voted in the negative were:

Laufenburger	Penny	Renneke	Strand	Vega
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So the bill, as amended by the Conference Committee, was re-passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 124 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 124

A bill for an act relating to women; establishing pilot programs to provide emergency shelter and support services to battered women; providing funds to establish community education programs about battered women; providing for data collection; waiving certain general assistance eligibility requirements for battered women; appropriating money; amending Minnesota Statutes 1976, Section 256D.05, by adding a subdivision.

May 21, 1977

The Honorable Edward J. Gearty
President of the Senate

The Honorable Martin O. Sabo
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 124, 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. 124 be amended as follows:

Page 4, line 23, after "community" insert "or governmental"

Page 4, line 28, after "of" insert "five"

Page 5, line 7, delete "from" and insert ". In appointing the project coordinator the commissioner shall give due consideration to"

Page 6, after line 11, insert

"Sec. 8. [DISPLACED WORKER PROGRAMS.] *The executive director of the governor's manpower office may enter into arrangements with existing private or nonprofit organizations and agencies with experience in dealing with displaced homemakers to provide counseling and training services. The director shall assist displaced homemakers in applying for appropriate welfare programs and shall take welfare allowances received into account in setting the stipend level. Income received as a stipend under these programs shall be totally disregarded for purposes of determining eligibility for and the amount of a general assistance grant.*"

Page 6, after line 19, insert

"*There is appropriated from the general fund to the executive director of the governor's manpower office the sum of \$100,000 for the purposes of section 8.*"

Page 6, line 21, delete "Section" and insert "Sections" and delete "is" and insert "and 8 are"

Renumber the sections in sequence

Further amend the title as follows:

Page 1, line 6, after "collection;" insert "authorizing counseling and training services for displaced homemakers;"

Page 1, line 8, after "women" insert "and displaced homemakers"

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) B. Robert Lewis, Gerry Sikorski, William G. Kirchner

House Conferees: (Signed) Phyllis L. Kahn, Donald Samuelson, Russell P. Stanton

Mr. Lewis moved that the foregoing recommendations and Conference Committee Report on S. F. No. 124 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. 124: A bill for an act relating to women; establishing pilot programs to provide emergency shelter and support services to battered women; providing funds to establish community education programs about battered women; providing for data collection; waiving certain general assistance eligibility requirements for battered women; appropriating money; amend-

ing Minnesota Statutes 1976, Section 256D.05, by adding a subdivision.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 50 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Lessard	Penny	Solon
Benedict	Gunderson	Lewis	Perpich	Spear
Bernhagen	Hanson	Luther	Peterson	Staples
Borden	Hughes	McCutcheon	Pillsbury	Stokowski
Brataas	Humphrey	Menning	Purfeerst	Strand
Coleman	Johnson	Merriam	Schaaf	Stumpf
Dieterich	Kirchner	Moe	Schmitz	Tennessee
Dunn	Kleinbaum	Nelson	Setzepfandt	Ulland, J.
Engler	Knoll	Olhoft	Sieloff	Vega
Frederick	Laufenburger	Olson	Sikorski	Wegener

Mr. 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

S. F. No. 1467 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1467

A bill for an act relating to the organization and operation of state government; appropriating money for the general administrative and judicial expenses of state government and limiting the use thereof; providing for the transfer of certain moneys in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; amending Minnesota Statutes 1976, Sections 10.30; 16A.095, Subdivision 2; 16A.10, Subdivisions 1 and 2; 16A.11, Subdivisions 2 and 3; 43.09, Subdivision 2; 43.31; 98.46, by adding a subdivision; 168.33, Subdivisions 2 and 7; 176.602; 183.545, Subdivisions 1, 3 and 4; 183.57, Subdivision 2; 186.04; 260.311, Subdivision 2; 268.06, Subdivision 25; 296.06, Subdivision 2; 296.12, Subdivision 1; 326.241, Subdivision 3; 362.125; 363.14, by adding a subdivision; 462.389, Subdivision 4; Chapter 16A, by adding a section; Laws 1971, Chapter 121, Section 2, as amended; and Laws 1976, Chapter 260, Section 3; repealing Minnesota Statutes 1976, Sections 15.61, Subdivision 3; 16.173; 16A.095, Subdivision 1; 16A.12 and 176.603.

May 21, 1977

The Honorable Edward J. Gearty
President of the Senate

The Honorable Martin O. Sabo
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1467, report that we have agreed upon the items in dispute and recommend as follows:

That S. F. No. 1467 be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. [STATE DEPARTMENTS; APPROPRIATIONS.] The sums set forth in the columns designated “APPROPRIATIONS” are appropriated from the general fund, or any other fund designated, to the agencies and for the purposes specified in the following sections of this act, to be available for the fiscal years indicated for each purpose. The figures “1977”, “1978”, and “1979”, wherever used in this act, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1977, June 30, 1978, or June 30, 1979, respectively.

	APPROPRIATIONS	
	Available for the year	
	Ending June 30,	
	1978	1979
	\$	\$
Sec. 2. THE LEGISLATURE		
Subdivision 1. For the House of Representatives	7,100,000	8,000,000
Subd. 2. For the Senate	5,155,350	5,539,910
Subd. 3. Legislative Coordinating Commission		
(a) Legislative Reference Library	258,910	244,460
(b) Revisor of Statutes	1,098,401	1,442,317
(c) Office of Legislative Research Science and Technology Project	47,250	47,250
Subd. 4. Legislative Audit Commission		
(a) Legislative Audit Commission	25,000	25,000
(b) Legislative Auditor	1,830,652	1,885,224
Subd. 5. Legislative Commission on Pensions and Retirement	98,500	98,500
Subd. 6. Mississippi River Parkway Commission	10,000	10,000

	1978	1979
For 1977—\$3,000	\$	\$
This appropriation is from the trunk highway fund.		
Subd. 7. Legislative Commission to Review Administrative Rules	30,213	30,213
Sec. 3. SUPREME COURT		
Subdivision 1. General Operations and Management	1,821,426	1,897,857
Subd. 2. Supreme Court Contingent	28,750	3,750
If the appropriation for either year is insufficient, the appropriation for the other year is available for it.		
Subd. 3. Judges' Retirement	690,000	710,000
To be disbursed by the executive director of the Minnesota state retirement system, subject to the provisions of Laws 1975, Chapter 418.		
Sec. 4. DISTRICT COURT	2,617,970	2,617,970
For 1977—\$19,000		
To be disbursed by the commissioner of finance.		
If the appropriation for either year is insufficient, the appropriation for the other year is available for it.		
Sec. 5. JUDICIAL COUNCIL	148,036	153,975
The amounts that may be expended from this appropriation for each activity are as follows:		
Judicial Council Expenses		
	1978	1979
	\$ 1,800	\$ 4,700
County Judicial Advisory Service		
	\$45,977	\$47,530
Office of Administrator for Fifth and Eight District Courts		
	\$100,259	\$101,745
If the appropriation for either year is insufficient, the appropriation for the other year is available for it.		

	1978	1979
	\$	\$
Sec. 6. BOARD OF JUDICIAL STANDARDS	105,000	104,000

Approved Complement—2

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

The board of judicial standards shall annually review the compliance of each district, county, municipal, or probate judge with the provisions of Minnesota Statutes, Section 546.27. The board shall notify the commissioner of finance of each judge not in compliance. If the board finds that a judge has compelling reasons for non-compliance, it may decide not to issue the notice.

Upon notification that a judge is not in compliance, the commissioner shall not pay the judge his salary.

The board may cancel a notice of non-compliance upon finding that a judge has returned his status to compliance, but in no event shall a judge be paid his salary for the period in which the notification of noncompliance is in effect.

Sec. 7. STATE LAW LIBRARY

General Operations and Management	274,650	278,199
Approved Complement—9		

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Sec. 8. PUBLIC DEFENDER

General Operations and Management	587,493	593,121
Approved Complement—23		

The amounts that may be expended from this appropriation for each activity are as follows:

Public Defender Operations

1978	1979
\$424,801	\$424,223

1978

1979

None of this appropriation shall be used for the defense of misdemeanors unless the city or county public defender, if any, refuses or is unable to defend and then only by order of the court.

Legal Assistance to Minnesota Prisoners

\$105,533 \$103,363

Legal assistance to Minnesota prisoners shall serve the civil legal needs of persons confined to state institutions. None of these funds shall be used to pay for lawsuits against public agencies or public officials to change social or public policy.

Legal assistance to Minnesota prisoners shall make an interim report to the legislative commission to review administrative rules on or before July 1, 1978. The commission shall review and comment on the propriety of the cases handled and may, using the provisions of Minnesota Statutes, Section 3.965 suspend the activities of legal assistance to Minnesota prisoners. Unencumbered money shall cancel to the general fund.

Legal Advocacy Project

\$ 57,159 \$ 65,535

Sec. 9. TAX COURT OF APPEALS
Approved Complement—2

78,791

78,997

Sec. 10 CONTINGENT ACCOUNTS
Subdivision 1. The appropriations in this section shall be expended with the approval of the governor after consultation with the legislative advisory commission pursuant to section 3.30.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

Subd. 2. General

3,387,000

4,681,000

	1978	1979
	\$	\$
Of this appropriation, \$255,468 in the second year is available for the Minnesota environmental education board. \$175,000 each year is available for the resource recovery grants-in-aid program in the pollution control agency.		
Subd. 3. Game and Fish	50,000	50,000
This appropriation is from the game and fish fund.		
Subd. 4. Motor Vehicle	75,000	75,000
This appropriation is from the highway user tax distribution fund for the purpose of supplementing any requirements of the department of public safety, motor vehicle services section, for salaries, supplies, and expense.		
Subd 5. Postage	250,000	250,000
For postage rate increases during the biennium ending June 30, 1979, where sufficient appropriations are not available.		
Of the above amount \$125,000 each year is appropriated from the highway user tax distribution fund to meet the needs of the motor vehicle section of the department of public safety.		
Subd. 6. Traffic Safety	75,000	75,000
This appropriation is from the trunk highway fund for the purpose of supplementing any requirements of the department of public safety for traffic safety programs.		
Subd. 7. Criminal Justice	810,000	810,000
This appropriation is available to provide additional matching money for the various state agencies and local governments for programs qualifying under the safe streets and omnibus crime control act of 1968, as amended.		
Matching money shall only be used for the grant for which it was provid-		

1978

1979

\$

\$

ed. Before any matching money not used by the subgrantee can be used as match for other grants, the governor, after consultation with the legislative advisory commission, must approve its expenditure.

At least 30 days before action by the legislative advisory commission, the crime commission shall submit the individual project requests to the finance and appropriation committees for review.

Sec. 11. GOVERNOR

Subdivision 1. General Support	999,246	1,019,863
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The amounts that may be expended from this appropriation for each activity are as follows:

General Operations and Management

\$984,246	\$1,002,363
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If the commissioner of public safety assigns a highway patrol officer as a personal aide to the governor below the rank of sergeant, the officer shall receive the rank and pay of a sergeant while on the assignment.

Personal Expenses Connected With Office

\$ 15,000	\$ 15,000
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Official Governor's Portrait

\$ 2,500

Subd. 2. Interstate Representation and Cooperation	199,122	200,855
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The amounts that may be expended from this appropriation for each activity are as follows:

National Governors Conference

\$ 24,750	\$ 26,483
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Education Council

\$ 20,000	\$ 20,000
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	1978	1979
	\$	\$
Upper Great Lakes Regional Commission—State Share		
\$ 71,000	\$ 71,000	
This appropriation shall cancel if the federal support for the regional commission is withdrawn.		
Great Lakes Basin Commission—State Share		
\$ 22,300	\$ 22,300	
Upper Mississippi Basin Commission—State Share		
\$ 45,000	\$ 45,000	
Missouri River Basin Commission—State Share		
\$ 16,072	\$ 16,072	
Subd. 3. Liaison for Spanish Speaking People	50,224	—0—
Approved Complement—2		
Subd. 4. Governor's Commission on Crime Prevention and Control	69,767	69,767
Approved Complement—86		
General—35		
Federal—51		
57 percent of all part B federal money received for planning purposes shall be used for grants to regional and local units of government. If the state appropriation for planning at the state level exceeds federal match requirements, the excess shall be used for grants to regional and local units of government.		
Subd. 5. Governor's Manpower Office	1,200,000	1,200,000
This appropriation is the state match for grants to community action agencies and for administrative costs of the economic opportunity activity.		
Subd. 6. Governor's Task Force on Waste and Mismanagement	75,000	75,000

1978

1979

\$

\$

Approved Complement—2

The task force shall search out instances of governmental waste or mismanagement, document the facts of each case, and recommend to the governor how these instances can be curtailed or eliminated. A follow-up procedure shall be instituted to make certain that the governor's directives are followed. A rewards program shall be established to recognize positive accomplishments by public employees.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

This subdivision is effective and the appropriation for fiscal 1978 is available the day following final enactment.

Sec. 12. LIEUTENANT GOVERNOR

Subdivision 1. General Operations and Management

260,894

263,524

Approved Complement—9

Subd. 2. Personal Expenses Connected With Office

2,000

2,000

The budget for the office of lieutenant governor includes money to establish a federal relations office in Washington, D.C. to provide services to the executive and legislative branches of Minnesota state government.

Sec. 13. SECRETARY OF STATE

General Operations and Management

593,303

832,409

Approved Complement—27

The amounts that may be expended from this appropriation for each activity are as follows:

Elections and Documents

\$140,124 \$428,599

For 1977—\$15,440

	1978	1979
	\$	\$
Uniform Commercial Code		
\$ 37,084 \$ 37,846		
For 1977—\$2,478		
Corporations		
\$258,120 \$204,390		
Administration		
\$157,975 \$161,574		
The secretary of state with the approval of the commissioner of finance may transfer unexpended balances among the above activities. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.		
Sec. 14. STATE AUDITOR	209,521	209,642
Approved Complement—111		
General—8		
Revolving—103		
The state auditor shall return to the general fund \$50,000 appropriated by Laws 1973, Chapter 720, Section 10, Subdivision 3 to the state auditor's revolving fund for a study of local government accounting systems, practices, and reporting.		
Sec. 15. STATE TREASURER	452,820	458,975
Approved Complement—26		
General—22		
Special Revenue—4		
Sec. 16. ATTORNEY GENERAL		
Approved Complement		
1978—191 1979—187		
General—186 184		
Federal— 5 3		
Subdivision 1. General Operations and Management	4,945,782	4,875,792
Subd. 2. Special Contingent	25,000	25,000

1978

1979

This appropriation shall not be available for paying the costs of special, legal, accounting, and investigative personnel retained in cases arising under Minnesota Statutes, Section 501.12, hereafter filed unless the attorney general shall decide in a case that all the beneficiaries are not adequately represented, or that there is a likelihood that the purpose of the trust may be frustrated without his intervention and that the state has a substantial interest in carrying out the purpose of the trust.

Subd. 3. Antitrust

224,059

225,465

This appropriation is for costs and expenses incurred by the attorney general in enforcing and making claims under state and federal anti-trust laws.

The attorney general shall report the purposes for which the moneys appropriated by this subdivision are utilized. The reports shall be made to the committee on finance of the senate and the committee on appropriations of the house of representatives at the end of each fiscal year.

If an appropriation in subdivisions 2 and 3 for either year is insufficient, the appropriation for the other year is available for it.

Subd. 4. Minnesota Peace Officers Training Board

(a) General Operations and Management

76,795

79,125

Approved Complement—3

(b) Reimbursements to Local Governments

300,000

300,000

Reimbursement for costs of substitute local protection while officers attend regular training courses. Reimbursement shall be for basic training only and not for in-service training.

If the appropriation for either year is

	1978	1979
	\$	\$
insufficient, the appropriation for the other year is available for it.		
Sec. 17. ETHICAL PRACTICES	147,019	146,880
Approved Complement—5		
Sec. 18. INVESTMENT BOARD	875,528	898,099
Approved Complement		
1978—29 1979—30		
Sec. 19. STATE PLANNING AGENCY		
Subdivision 1. General Operations and Management	8,119,853	7,227,369
Approved Complement—186		
General—108		
LCMR—47		
Federal—29		
Revolving—2		

The amounts that may be expended from this appropriation for each program are more specifically described in the following subdivisions of this section.

Subd. 2. State Planning and Development

333,753

335,924

The amounts that may be expended from this appropriation for each activity are as follows:

State Development Planning

\$ 21,005 \$ 21,412

\$120,000 has been placed in the general contingent account to develop state and regional growth plans and recommend a policy for economic alternatives in Minnesota.

This money shall be authorized for use by the governor, upon recommendation of the legislative advisory commission.

The director of the state planning agency shall select individuals to complete the study, including those who, by profession, analyze regional eco-

1978

1979

\$

\$

conomic growth patterns. The selection shall be done in cooperation with appropriate legislative committees and staff in the House of Representatives and Senate as designated by the Speaker of the House of Representatives and the President of the Senate who shall be involved in the ongoing progress of the study. The study shall be done in a manner which encourages participation by the regional development commissions and should incorporate work completed by the commission on Minnesota's future.

The study shall (1) examine social, environmental and economic costs and benefits of economic development; (2) consider demographic shifts utilizing data from the state demographer, which affect employment patterns, needs for educational institutions, tax bases and other growth factors in an area; (3) identify relationships of economic development to these demographic changes in Minnesota; (4) consider the effects of emmigration and immigration; and (5) make recommendations for optional patterns of economic development in Minnesota considering social, environmental and economic needs as well as demographic shifts.

The director of the state planning agency shall present the plans and recommendations to the Minnesota legislature no later than November 15, 1978.

Housing Studies

\$ 16,746 \$ 16,984

Issue Analysis

\$ 15,000 \$ 15,000

State/Local/Regional Policy Development

\$ 55,559 \$ 55,746

Program Review

\$ 25,409 \$ 25,452

	1978	1979
	\$	\$
Planning Information		
\$ 19,600		\$ 19,897
Population Forecasts		
\$180,434		\$181,433
Subd. 2. Functional Area Planning	4,722,721	3,967,865

The amounts that may be expended from this appropriation for each activity are as follows:

Health Planning

\$ 71,646 \$ 82,892

Development Disabilities Grants

\$102,178 \$103,084

Transportation Systems Planning

\$ 42,741 \$ 43,326

Environmental Systems Planning

\$335,387 \$339,131

The agency may charge a fee to each user of the Minnesota land management information system.

Environmental Quality Council Administration

\$436,821 \$449,784

Money appropriated in this activity shall include a study of the feasibility of establishing an office of environmental analysis for the state of Minnesota to be responsible for the completion of environmental impact statements for the Minnesota state agencies. The study, which should be completed in cooperation with the committee on finance in the senate and the committee on appropriations in the house of representatives in time for consideration by the 1978 legislative session, shall include a financial analysis of the personnel and budget requirements of establishing the office. The analysis should compare fiscal requirements of establishing a new office of environmental

1978

1979

\$

\$

analysis with the present system of preparing environmental impact statements.

Critical Areas Planning

\$327,659 \$ 78,763

Of this appropriation, \$232,215 in fiscal 1978 is for financial aid to local governments within critical areas. Any unencumbered balance remaining in the first year shall not cancel but is available for the second year of the biennium.

Power Plant Studies

\$460,902 \$474,331

Land Use Planning

\$194,799 \$197,409

EIS/Special Studies

\$2,000,000 \$2,000,000

This appropriation is for expenses incurred in hearings and for allocation to appropriate state agencies for the preparation of environmental impact statements. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

The balance of the appropriations made by Laws 1976, Chapter 331, Section 20 to the State Planning Agency for the copper-nickel regional environmental impact study shall not cancel on June 30, 1977 but shall remain available until expended.

Environmental Conservation Library Grant

\$101,000 \$101,000

Minnesota Environmental Education Board

\$252,685

This appropriation is for state and regional environmental education councils. No less than 50 percent of the efforts of the state and regional coun-

1978

1979

\$

\$

cils shall be directed to cooperation with and service for other groups, agencies, and institutions for the dissemination of environmental information.

Human Resources Planning

\$396,903 \$98,145

\$300,000 in fiscal 1978 is for human services board grants to single and multi-county boards for initial planning and for start-up operating costs. Any unencumbered balance remaining in the first year shall not cancel but is available for the second year of the biennium.

Subd. 3. Regional and Local Planning and Management Assistance

2,753,399

2,607,748

The amounts that may be expended from this appropriation for each activity are as follows:

Regional Assistance

\$142,015 \$143,737

Technical Assistance

\$1,388,884 \$1,248,511

Of this amount \$100,000 in the first year is for completion of the local government fiscal study and \$134,000 in the first year is for completion of the Minneapolis-St. Paul study.

\$897,000 in fiscal 1978 and \$845,000 in fiscal 1979 is for land use planning grants to local governments.

Planning Assistance Grants

\$972,500 \$965,500

This appropriation is for regional planning assistance grants.

Community Development Corporations

\$250,000 \$250,000

No more than ten percent of this amount shall be expended for administrative costs.

	1978	1979
	\$	\$
If the appropriation for either year is insufficient, the appropriation for the other year is available for it.		
Subd. 4. General Administration	309,980	315,832
For 1977—\$8,000		

The director of the state planning agency with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose or for grants among the above programs and activities. All transfers shall be reported forthwith to the committee on finance in the senate and the committee on appropriations in the house of representatives.

Sec. 20. ADMINISTRATION

General Operations and Management	13,889,977	14,053,131
Approved Complement—1052		
General—484		
Special—9		
Federal—18		
Revolving—541		

The amounts that may be expended from this appropriation for each program are as follows:

Program and Management Improvement

\$623,559 \$633,570

Management Information Services

\$495,867 \$500,091

General Services

\$11,734,623 \$11,864,083

Of this appropriation, \$250,000 in fiscal 1978 is for an energy survey of state buildings.

This appropriation includes the following sums to assist in the provision of criminal and juvenile defense to indigent individuals:

1978

1979

\$

\$

St. Paul—Neighborhood Justice Center, Inc.

For cases arising in Ramsey county.

\$ 90,000 \$ 95,000

Minneapolis—Legal Rights Center Inc.

For cases arising in Hennepin county.

\$ 50,000 \$ 55,000

Duluth—Duluth Indian Legal Assistance Program

For cases arising in St. Louis and Mille Lacs Counties.

\$ 80,000 \$ 85,000

Cass Lake—Leech Lake Reservation Criminal and Juvenile Defense Corp.

For cases arising in Cass, Itasca, Hubbard, and Beltrami Counties.

\$ 47,500 \$ 52,500

White Earth—White Earth Reservation Criminal and Juvenile Defense Corp.

For cases arising in Mahnomen, Becker, and Clearwater Counties.

\$ 47,500 \$ 52,500

Each corporation, in order to insure broad support and continued operation, is strongly encouraged to seek additional monetary support from federal agencies, local governments, private agencies, and community groups, and after June 30, 1978, is required to provide a minimum of 10 percent match from nonstate sources.

General Support

\$1,035,928 \$1,055,387

The commissioner of administration with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers shall be reported forthwith to the committee on finance of the sen-

	1978	1979
	\$	\$
ate and the committee on appropriations of the house of representatives.		
Sec. 21. CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD	65,891	66,625

Approved Complement—2

Sec. 22. FINANCE

General Operations and Management	4,961,649	4,587,833
Approved Complement—124		

The amounts that may be expended from this appropriation for each program are as follows:

Financial Operations

\$2,493,220 \$2,560,832

Financial Management

\$1,449,639 \$1,490,874

General Support

\$ 518,790 \$ 536,127

The commissioner of finance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Public employment study

\$ 500,000

None of this appropriation may be expended until the commissioner of finance has consulted with the legislative advisory commission as provided in Minnesota Statutes, Section 3.30.

Any balance remaining on June 30, 1978 shall not cancel, but is available for the second year.

All units of state and local government, including retirement systems, shall furnish information requested by the department of finance. The department of finance shall submit its report and recommendations to the legislature by January 15, 1979.

Sec. 23. PERSONNEL

	1978	1979
General Operations and Management	\$ 2,289,007	\$ 2,290,570
Approved Complement—107		
General—93		
Federal—7		
Revolving—7		

The amounts that may be expended from this appropriation for each program are as follows:

Personnel Technical Services

\$ 663,711 \$ 662,472

Training and Development

\$ 314,955 \$ 308,064

By November 1, 1977, each state department shall submit to the committee on finance of the senate and the committee on appropriations of the house of representatives a list showing, by line item, the amount of money for employee training in its fiscal 1978 and 1979 budgets.

By January 1, 1978, the commissioner of personnel shall promulgate rules for the establishment and administration of special career training programs for class C civil service employees. The commissioner may begin rulemaking the day following final enactment of this act.

By July 1, 1978, each state department shall have a plan approved by the commissioner of personnel to use 50 percent of its training money for special career training programs for class C civil service employees. The money shall be used only for this purpose.

Employee, Employer Services

\$482,799 \$490,714

Local Government Services

\$ 30,452 \$ 30,859

General Support

\$797,090 \$798,461

The commissioner of personnel with the approval of the commissioner of fi-

1978

1979

\$

\$

nance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

In the case of state departments, agencies, and institutions that are financed in whole or in part with federal money, the portion of the cost of collecting social security contributions that is chargeable to federal money shall be reimbursed from federal money, and the amount necessary is appropriated from federal money for that purpose.

The cost of collecting employees' social security contributions and the state's matching share for reimbursement to the U.S. Secretary of the Treasury for state departments, agencies, and institutions whose salaries are provided by open, standing, continuing, or revolving appropriations or so called dedicated receipt accounts shall be reimbursed to the state agency revolving fund from those appropriations or dedicated receipt accounts, and the amount necessary is appropriated from those appropriations and accounts for that purpose.

Sec. 24. PERSONNEL BOARD

28,453

—0—

Approved Complement—1

Sec. 25. REVENUE

General Operations and Management

21,194,293

21,907,244

Approved Complement—933

The amounts that may be expended from this appropriation for each program are as follows:

Revenue Management

\$ 6,055,073 \$ 6,417,680

Income, Sales, and Use Tax Management

\$11,256,743 \$11,504,012

Property and Special Taxes Management

	1978	1979
	\$	\$
	\$3,800,817	\$3,903,595

Assessors Board and Assessors Training

	\$ 81,660	\$ 81,957
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The commissioner of revenue with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 26. AGRICULTURE

General Operations and Management	10,165,141	11,091,228
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Approved Complement—483

General—403

Special—77

Federal—3

The amounts that may be expended from this appropriation for each program are as follows:

Development and Protection of Agricultural Resources

	\$7,554,370	\$8,443,494
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Food Processing and Economic Practices

	\$1,702,704	\$1,731,660
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General Support

	\$908,067	\$916,074
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The appropriation for General Support includes the following amounts for grants to agricultural societies and associations.

(a) For Expenses of the Junior Livestock Show in Duluth

	\$ 1,400	\$ 1,400
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To be paid to the junior livestock association of Duluth and to be expend-

1978

1979

\$

\$

ed by the 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.

(b) For Aid to Minnesota Livestock Breeders Association

\$ 14,200 \$ 14,200

(c) For Aid to Northern Sheep Growers Associations

\$ 1,125 \$ 1,125

(d) For Aid to Southern Sheep Growers Associations at LeSueur, Minnesota

\$ 500 \$ 500

(e) For Red River Valley Livestock Associations

\$ 7,500 \$ 7,500

The amount appropriated by clause (e) shall be disbursed pursuant to provisions of Minnesota Statutes, Section 38.02.

(f) For the Red River Valley Dairy-men's Association, Inc., for the purpose of promoting better dairying

\$ 1,500 \$ 1,500

Clauses (b), (c), (d), (e), and (f) shall be expended under provisions of Minnesota Statutes, Section 17.07.

(g) Aid to County and District Agricultural Societies

\$320,000 \$320,000

Of the amount appropriated by clause (g), \$4,500 each year is for livestock premiums to county fair associations for carrying on boys' and girls' club work.

The amount appropriated by clause (g) shall be disbursed according to Minnesota Statutes, Section 38.02.

1978

1979

\$

\$

Out of the amounts appropriated by clause (g), \$1,000 each year shall be available for agricultural aid to the Red Lake Band of Chippewa Indians, to be expended as may be directed by the Indian council for the purpose of encouraging activities and arts that will advance the economic and social interest of their people and particularly to promote a program of agricultural development that will utilize to the greatest possible extent the lands and forest owned by them. This appropriation may be used to help maintain an agricultural extension service, to promote 4-H club work, or for premiums for the competitive display of exhibits at any fair or exposition that may be arranged under the direction of the council.

(h) For Aid in Payment of Premiums at Exhibitions of Poultry for the poultry associations mentioned in Laws 1949, Chapter 718, Section 7, Subdivision 8

\$ 3,500 \$ 3,500

Out of the amounts appropriated by clause (h) 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.

The northern poultry association (being a consolidation of 14 northwestern county associations) shall receive not to exceed \$150.

The commissioner of agriculture with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

	1978	1979
	\$	\$

Sec. 27. LIVESTOCK SANITARY BOARD

General Operations and Management	1,128,454	1,139,665
Approved Complement—45		

This appropriation includes \$1,500 each year for payment of indemnities. If the appropriation for indemnities for either year is insufficient, the appropriation for the other year is available for it. Indemnities of less than \$1 shall not be paid.

Sec. 28. NATURAL RESOURCES

General Operations and Management	47,984,856	43,530,981
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Approved Complement—1402

General—816

LCMR—56

Game and Fish—494

Federal—34

Agency—2

Of this appropriation, \$32,552,008 for the first year and \$27,653,800 for the second year are from the general fund; \$14,332,848 for the first year and \$14,777,181 for the second year are from the game and fish fund.

The amounts that may be expended from this appropriation for each program are as follows:

Administrative Management Services

\$4,707,197 \$4,664,593

Of this appropriation, \$134,000 in fiscal 1978 and \$133,000 in fiscal 1979 is for environmental impact statements.

\$350,000 in fiscal 1978 and \$200,000 in fiscal 1979 is for the youth conservation corps, of which \$175,000 for fiscal 1978 and \$100,000 for fiscal 1979 is for planting, timber stand improvement, and forest development on state

1978

1979

\$

\$

owned lands, other than trust fund lands for forestry purposes.

Regional Administration

\$2,417,599 \$2,460,005

Field Services Support

\$3,353,002 \$3,391,722

Water Resources Management

\$2,167,872 \$1,937,217

For 1977—\$79,050

Any unencumbered balance of the appropriation for 1977 is available until June 30, 1978.

\$50,000 in fiscal 1978 is for construction and modification of the Knife river dam pursuant to Laws 1971, Chapter 939, and represents money previously appropriated but not spent. This amount is available until expended.

\$150,000 in fiscal 1978 is for repair of the lake Byllesby dam, provided that this appropriation is matched by Dakota and Goodhue counties. This amount is available until expended.

\$25,000 is for completion of the repair and reconstruction of the Pine Lawn park dam owned by the city of Grand Meadow, including silt removal, subject to approval of a work program by the legislative commission on Minnesota resources.

Mineral Resources Management

\$1,932,690 \$1,958,771

For 1977—\$69,614

\$202,514 in fiscal 1978 and \$210,961 in fiscal 1979 is for mineland reclamation.

\$500,000 in fiscal 1978 and \$500,000 in fiscal 1979 is for peat studies.

Forest Management

\$6,868,791 \$5,922,114

1978

1979

\$

\$

For 1977—\$486,000

\$500,000 each year is from the consolidated conservation areas account. \$482,803 in fiscal 1978 and \$190,612 in fiscal 1979 is for a forest inventory. Any unencumbered balance remaining in the first year shall not cancel but is available for the second year of the biennium.

\$100,000 each year is for emergency fire fighting. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$671,875 the first year is for a radio communication system. Any unexpended balance remaining in the first year shall not cancel but is available for the second year of the biennium.

\$60,000 is for acquisition of an easement, right of way, tract, or other interest in land necessary for suitable alternative public road access to General C. C. Andrews state forest. The access shall be located on the southeast quarter of the southeast quarter and the southwest quarter of the southeast quarter, Section 2, Township 44, Range 20 West. The road may be a limited access road in whole or in part. This acquisition and construction is not subject to the \$1,500 limitation contained in Minnesota Statutes, Section 88.09. This appropriation may not be expended until the city of Willow River enters into an agreement with the commissioner of natural resources for the permanent maintenance of the road access. This appropriation is available until the project is completed.

Fish Management

\$4,647,950 \$4,789,408

Wildlife Management

\$4,564,151 \$4,662,746

1978

1979

\$

\$

\$600,000 each year is from the wild-
life acquisition fund for the acquisition
of wildlife management areas.

\$300,000 each year is for deer habitat
improvement.

Ecological Surveys and Services

\$ 555,667 \$ 564,999

Parks and Recreation Management

\$7,134,786 \$7,053,483

The approved complement includes
five trails coordinators.

\$159,481 is for the program to employ
needy elderly persons to maintain
recreational facilities as specified in
Minnesota Statutes, Section 84.025,
Subdivision 8, plus interest accrued
on the sum of \$659,481 from the date
of receipt of that amount from the
federal government pursuant to Pub-
lic Law 94-369, Title II. The commis-
sioner of finance shall transfer these
amounts from the federal fund to
the general fund. These amounts are
available upon enactment and until
expended.

Amounts appropriated by Laws 1975,
Chapter 204, Section 55, Subdivision
6, Paragraphs (a) and (c) shall not
cancel but remain available until ex-
pended for dam and spillway repair in
lake Bronson state park, improvement
of the sewer system in Whitewater
state park, a maintenance building in
Fort Snelling state park, and con-
struction and repair of dams and
channel excavation to manage water
levels on Heron lake in Jackson coun-
ty.

\$182,190 in fiscal 1978, and \$184,480
in fiscal 1979 is for maintenance of
canoe and boating routes.

\$59,731 in fiscal 1978 and \$46,328 in
fiscal 1979 is for development of
canoe and boating routes.

\$1,200,000 each year represents un-

1978

1979

\$

\$

refunded gas taxes paid for snowmobiles and shall be used for acquisition, development and maintenance of recreational trails and for related purposes.

Notwithstanding any other law to the contrary money appropriated for trails may be used to fence snowmobile trails to protect private property.

Soil and Water Conservation Commission

\$813,508 \$817,303

\$425,000 each year is for grants in aid to soil and water conservation districts.

\$252,088 in fiscal 1978, and \$252,433 in fiscal 1979 is for flood plain management in the southern Minnesota river basin study area II, of which \$229,667 each year is for grants to watershed districts and other local units of government.

Enforcement of Natural Resources Laws and Rules

\$5,247,495 \$5,308,620

\$75,000 each year is for reservation conservation law enforcement. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$450,000 each year is for the acquisition, development, and maintenance of sites for public access to public waters and for lake improvements. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$10,000 each year is for the purpose of controlling smelt fishing activities on the north shore, including development of parking facilities, traffic control, coordination of regulatory agencies, control of trespass and vandalism, control of littering and sanita-

1978

1979

\$

\$

tion, and public information and education. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Land acquisition

\$3,565,148 —0—

This appropriation represents part of the unencumbered balance of the appropriations for land acquisition made in Laws 1975, Chapter 204, Section 55, and in Laws 1975, Chapter 415, Section 1, remaining on June 30, 1977. If the unencumbered balance is less than the amount appropriated by this clause plus the amount appropriated from the unencumbered balance by section 33, subdivision 7, paragraph (d), the amount of this appropriation is reduced so that the amount appropriated does not exceed the unencumbered balance.

This appropriation shall be expended for the same purposes and subject to the same conditions as the unencumbered balances from which it comes.

The commissioner of natural resources with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 29. ZOOLOGICAL BOARD

General Operations and Management

3,575,535 4,947,678

Approved Complement

1978 — 157	1979 — 165
General—155	163
Special— 1	1
Federal— 1	1

The appropriation in fiscal year 1979

	1978	1979
	\$	\$
will be from the Minnesota zoological garden general account.		
The amounts that may be expended from this appropriation for each program are as follows:		
Operations and Visitor Services		
\$2,713,008	\$3,616,850	
Animal Management		
\$ 664,037	\$ 918,837	
General Support		
\$ 198,490	\$ 411,991	

The director of the Minnesota zoological garden with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

The fee structure for the Minnesota zoological garden shall not exceed \$2.50 for adults, age 17 and over, \$1.25 for children, ages 6-16, and free for children 5 and under.

Sec. 30. WATER RESOURCES BOARD

82,372	84,318
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Approved Complement—3

All hearings of the water resources board shall be solely in the performance of expressed statutory duties.

Up to \$8,000 of salaries each year may be used for field training of an employee who is a graduate of an engineering college, which sum shall be matched by watershed districts providing training experience through contractual agreements with the board.

Sec. 31. POLLUTION CONTROL AGENCY

Subdivision 1. General Operations and Management

5,165,877	4,865,178
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	1978	1979
	\$	\$
Approved Complement—266		
General—177		
LCMR—11		
Federal—78		
Subd. 2. Operations and Management	4,756,877	4,690,178

The amounts that may be expended from this appropriation for each activity are as follows:

Water Pollution Control

\$1,934,941 \$1,959,088

Air Pollution Control

\$ 541,222 \$ 548,461

Solid Waste Pollution Control

\$ 457,891 \$ 450,301

Regional Support

\$ 446,197 \$ 448,864

General Support

\$1,376,626 \$1,283,464

For 1977—\$94,120

Any unencumbered balance of the appropriation for 1977 is available until June 30, 1978.

The director of the pollution control agency with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

The health department shall continue to render such staff services as the

1978

1979

\$

\$

agency may require from time to time through health's division of environmental health. The health department shall be reimbursed from this appropriation for the cost thereof.

Subd. 3. Special Studies

225,000

—0—

The agency shall negotiate with the federal government, or any agency, bureau, or department thereof, for the purpose of securing or obtaining any grants of assistance in the completion of these studies.

The agency shall complete a model waste water facilities plan for a rural community and provide to the legislature by January 1, 1979 a thorough examination of all alternatives presently available for improved treatment in small rural communities.

Any unexpended balance remaining in the first year shall not cancel but is available for the second year of the biennium.

The appropriation in subdivision 3 includes \$50,000 for a special study for an evaluation of the resource recovery grants-in-aid program and the practical options available to communities in the state of Minnesota for source reduction, source separation and resource recovery.

Subd. 3. Pollution Control Grants

184,000

175,000

The amounts that may be expended from this appropriation for each activity are as follows:

Automobile Recycling

\$175,000 \$175,000

Resource Recovery

\$ 9,000 —0—

If an appropriation in this subdivision for either year is insufficient, the appropriation for the other year is available for it.

Sec. 32. ENERGY

	1978	1979
	\$	\$
General Operations and Management	1,332,450	1,300,552
Approved Complement		
1978—49		1979—45
General—39		38
LCMR— 4		4
Federal— 6		3

The amounts that may be expended from this appropriation for each program are as follows:

Energy Conservation

\$266,045 \$267,800

Energy Education and Local Services

\$236,615 \$241,158

Certificates of Need

\$244,701 \$238,399

Alternative Energy Research

\$147,012 \$106,387

Forecasting and Data Systems

\$178,806 \$180,878

General Support

\$259,271 \$265,930

The director of the energy agency with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

**Sec. 33. NATURAL RESOURCES
ACCELERATION**

Subdivision 1. Legislative commission on Minnesota resources

180,000

180,000

Together with any sums received as grants-in-aid from federal sources and any sums granted by private sources to carry out the purposes of the commission. Federal and private funds shall not cancel but remain available until expended.

	1978	1979
	\$	\$
<p>The commission shall during the 1977-79 biennium review the work programs and progress reports required under subdivision 12 of this section and report its findings and recommendations to the committee on finance of the senate, committee on appropriations of the house of representatives and other appropriate committees. The commission shall establish oversight committees to continue review of a variety of natural resource subject areas as it deems necessary to carry out its legislative charge.</p>		
<p>The commission shall continue to monitor the activities regarding establishment and development of Voyageurs National Park, and will cooperate and coordinate with the citizens advisory committee and all appropriate state, federal and local agencies and shall advise the legislature if necessary, on matters affecting state policy related thereto.</p>		
Subd. 2. Department of Agriculture	50,255	50,000
<p>Framework water plan—phase II. For the department role in phase II of the framework water and related land resources planning effort. The water resources council, or board if created, shall coordinate the work programs and reports of all agencies involved.</p>		
Subd. 3. Department of Economic Development	21,786	20,000
<p>Framework water plan—phase II. For the department role in phase II of the framework water and related land resources planning effort. The water resources council, or board if created, shall coordinate the work programs and reports of all agencies involved.</p>		
Subd. 4. Energy Agency		
(a) Framework water plan—phase II	106,927	105,000

	1978	1979
	\$	\$
For the agency role in phase II of the framework water and related land resources planning effort. The water resources council, or board if created, shall coordinate the work programs and reports of all agencies involved. The water management information system shall be developed consistent and compatible with the Minnesota land management information system.		

(b) Alternative energy grants	200,000	200,000
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This appropriation is available for grants to implement research and demonstration projects on alternative energy sources particularly appropriate to this state. At least one fourth of this amount shall be allocated for projects with high potential for commercialization. This appropriation shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commission regarding such expenditures.

(c) Energy grant monitoring	25,000	25,000
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For implementation of Minnesota Statutes 1976, Section 116H.128 and to insure that federal programs are employed to the best advantage of the state.

(d) Energy grant application assistance	50,000	50,000
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This appropriation is available for the agency to make or assist in making grant proposals and applications requiring extensive technical preparation for projects with very large potential financial and technical impacts.

Subd. 5. Department of Health

(a) Framework water plan—phase II	20,173	20,000
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For the department role in phase II

1978

1979

\$

\$

of the framework water and related land resources planning effort. The water resources council, or board if created, shall coordinate the work programs and reports of all agencies involved.

(b) Southeast Minnesota groundwater contamination

20,600

20,500

The department shall coordinate a multiagency approach to define the nature, extent and projected problems and solutions relating to contamination of groundwater in southeast Minnesota, involving the college of veterinary medicine, the Minnesota and United States geologic surveys. In addition the department shall develop appropriate models to project probable and possible future results.

Of this amount, the department shall contract with the United States geologic survey for an amount up to \$20,500 of state money which shall be at least equally matched with federal moneys, to analyze the interflow in uncased multi-aquifer wells.

Subd. 6. Minnesota Historical Society

(a) Restoration of Fort Snelling—final appropriation

125,000

125,000

(b) Statewide archeologic survey

125,000

125,000

For a two year program to properly collate existing data and acquire data by survey, on additional significant sites. The final report shall be an authoritative document on the location, characteristics and significance for preservation of archeologic sites which will serve to eliminate the delays in environmental assessments and impact statements caused in recent times by lack of this information. The information shall be collected and organized in a manner consistent and compatible with the Minnesota land management information system. Confidentiality

	1978	1979
	\$	\$
and disclosure requirements shall be observed where not in conflict with the objectives of producing a meaningful viable and useful report.		
(c) Outdoor recreation act implementation	10,000	10,000
For the second biennium of analysis, master planning and other activities required by Minnesota Statutes 1976, Chapter 86A. Work programs and status reports by the several agencies shall be submitted jointly. For the purposes of this subdivision, the Minnesota historical society is exempted from the competitive bidding procedures of Minnesota Statutes, Section 16.07.		
Subd. 7. Department of Natural Resources		
(a) Framework water plan—phase II	112,863	112,863
For the department role in phase II of the framework water and related land resources planning effort. The water resources council, or board if created, shall coordinate the work programs and reports of all agencies involved. From this appropriation the department shall determine a standard delineation of watershed boundaries and prepare an appropriate map for official state use. The format shall be consistent and compatible with other water information systems and the Minnesota land management information system.		
(b) Topographic mapping	314,000	314,000
To convert certain maps to the 7½ minute scale and update those high priority maps which are obsolete, according to priorities established and reported by the state mapping advisory committee in February, 1977. Information shall be processed into the Minnesota land management information system as applicable.		
(c) Outdoor recreation act implementation	401,446	401,446

1978

1979

\$

\$

For the second biennium of analysis, master planning and other activities required by Minnesota Statutes 1976, Chapter 86A. Work programs and status reports by the several agencies shall be submitted jointly.

(d) State land recreation development

6,833,250

To be expended in accordance with Minnesota Statutes 1976, Chapter 86A. These funds shall only be expended for development within the authorized or designated boundaries of state operated parks and recreation areas. Of this amount, \$2,400,000 is appropriated from the state parks development account, of which \$1,436,750 may be used for major rehabilitation. At least 90 percent of all moneys provided through this subdivision shall be spent only upon projects eligible for land and water conservation fund match or reimbursement.

\$3,000,000 of this appropriation represents part of the unencumbered balance of the appropriations for land acquisition made in Laws 1975, Chapter 415, Section 1, Subdivision 2, remaining on June 30, 1977. If the unencumbered balance is less than the amount appropriated by this clause the amount of this appropriation is reduced so that the amount appropriated does not exceed the unencumbered balance.

(e) Upper St. Croix riverway development and acquisition

750,000

For land development and acquisition within the project area, to provide the balance of the state share of the state-federal project. Up to \$400,000 may be spent for acquisition if deemed necessary and all expenditures must be eligible for federal reimbursement.

(f) Management Upper St. Croix

The unexpended balance of the appropriation made in Laws 1975, Chapter

	1978	1979
	\$	\$
204, Section 55, Subdivision 6, Paragraph d, which could not be spent due to administrative delay beyond state control, is reappropriated for the same purpose.		
(g) Planning for wild, scenic and recreational rivers	227,500	227,500
For expenses related to data gathering, planning, public hearings and other activities preparatory to possible official designation of rivers or river segments as wild, scenic or recreational.		
(h) Peat inventory project	125,000	125,000
The department shall prepare an inventory of major peat areas describing the locations, types, amounts and qualities of peat, shall ascertain suitability for different uses and implement the terms of matching grants which may be received from the national science foundation or other sources. Grants or matching moneys so received are appropriated for this purpose.		
(i) Iron range information analysis	50,000	50,000
The department shall develop and implement an information system for the data currently available and for new data which may be produced. Existing and prospective data shall be organized in a format consistent and compatible with the Minnesota land management information system, and shall be processed into that system.		
(j) Long range plan	165,500	165,500
In the coming biennium the department shall conduct an accelerated department wide planning effort to produce a long range plan which effectively shows the interagency and interdivisional cooperative processes which will be implemented to insure multidisciplinary approaches to resource management. The goals, objectives and policies of each division and the entire		

	1978	1979
	\$	\$
department shall be concise, clearly stated and effectively interrelated. After the biennium, periodic updating of the plan shall be accomplished within the regular budget.		
(k) Land records systems merger	45,000	
The department shall merge the land classification and land ownership records by July, 1978 to produce a single system for use in both research and administration in the department. The new system shall be consistent and compatible with the Minnesota land management information system and the resulting information provided to that system as applicable.		
(l) Standardized land transactions	17,500	17,500
The department shall, in conjunction with other agencies, develop and implement the processes and forms necessary to produce a comprehensive standard land record system capable of interface with existing resource and facility data systems and the Minnesota land management information system.		
(m) Statewide comprehensive outdoor recreation plan—surveys	165,000	165,000
The department shall conduct a two year accelerated survey effort to procure the data on recreation participation and public opinion on recreation management necessary and sufficient to not only comply with federal requirements for an eligible plan, but also to provide quality data for incorporation into state and regional recreation and resource management decision making. The department shall also prepare and submit a suitable plan in order to maintain federal funding eligibility without lapse.		
(n) Soil and water conservation board sediment and erosion control grants-in-aid	251,000	250,000
This appropriation is available to provide funds for a demonstration grant-in-aid program to assist local units of government or local soil and water con-		

1978

1979

\$

\$

ervation districts in solving sediment and erosion control problems by providing matching funds not to exceed 50 percent of the total cost or 50 percent of the local share if federal funds are used. Guidelines for program operation and grant distribution shall be subject to approval by the legislative commission on Minnesota resources. Of the amount provided, not less than 90 percent shall be distributed as grants-in-aid. The board shall administer the grant-in-aid program. Priority for distribution of funds shall be given to projects eligible for federal matching funds. Projects designed to solve streambank and roadside erosion shall be given first priority.

If state legislation is enacted in 1977 which duplicates this program, this appropriation shall be placed into the natural resources federal reimbursement account and shall be in addition to the amounts appropriated in that account.

Subd. 8. Pollution Control Agency

(a) Framework water plan—phase II

18,904

18,903

For the agency role in phase II of the framework water and related land resources planning effort. The water resources council, or board if created, shall coordinate the work programs and reports of all agencies involved. Staff necessary to accomplish this work shall be provided from among existing agency staff unless the agency determines that the particular duties are so technical and other programs of such high priority that hiring new staff is essential to success of the overall framework water planning.

(b) Lake improvement grants-in-aid

692,813

692,813

The pollution control agency shall administer this appropriation to provide grants-in-aid to local units of government including lake improvement districts. Only grant proposals eligible for aid from the federal clean lakes act

1978

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\$

(section 314 of PL 92-500) shall be eligible under this program. State grants shall be available to provide up to 50 percent of the nonfederal share of each project and available only to projects with an approved federal grant. This appropriation shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commission regarding such expenditures.

Subd. 9. State Planning Agency

(a) Framework water plan—phase II

The agency shall be involved in phase II of the framework water and related land resources planning effort. The agency shall assist the other agencies involved on the interdisciplinary aspects of the issues which are identified and the policies which might be affected by alternative potential solutions to problems, using regular agency budget resources.

(b) Copper nickel regional impact study

1,021,000

1,021,000

For the final phase of the study initiated in 1975. The environmental quality council shall provide the expenditure plans, coordination and direction of the study. Staffing authorizations created through past and current appropriations for this study expire June 30, 1979 or sooner as study progress dictates. The primary objective of this study effort is preparation and submittal to the legislature in the 1979 session, of a report which provides the basis for legislative policy making in this issue area.

(c) Outdoor recreation act implementation

32,500

32,500

To provide both the staff for the agency review process required and the administrative support for the out-

	1978	1979
	\$	\$
door recreation advisory council, pursuant to Minnesota Statutes, Chapter 86A.		
(d) Mapping and remote sensing information center	5,000	5,000
<p>The agency shall establish a center and an advisory committee of user agency personnel. The agency will manage the information on what products already exist, coordinate proposed remote sensing and mapping efforts to avoid unnecessary duplication and generally improve access to available products. All state agencies shall cooperate with the center to provide information on both present and proposed remote sensing or mapping products and shall adjust proposed remote sensing activities to accommodate the widest practical use of the proposed products. Future operation of the center shall be supported from the regular agency budget, if justified.</p>		
(e) Manual of standard land terms	5,000	
<p>The agency shall produce by January 1, 1978 a manual which provides standard terms for use in describing land use and land cover in a format suitable to all state agencies involved to any extent in use of natural resource data. The terms in the manual shall be consistent and compatible with the Minnesota land management information system.</p>		
(f) Demonstration project MLMIS	55,000	55,000
<p>The agency shall conduct a one time pilot project, as the completion phase of development of the Minnesota land management information system, which will demonstrate the applicability of the system at the regional and local level. Further implementation at the regional or local level shall be provided only with regional or local financial support.</p>		
(g) Grants-in-aid for local recreation and natural areas	2,000,000	2,000,000

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This appropriation is to pay up to 50 percent of the total cost or 50 percent of the local share if federal matching funds are used, of long term lease, acquisition and development for recreational projects for the purposes described in Laws 1965, Chapter 810, Section 23, as amended by Laws 1969, Chapter 1139, Section 48, Subdivision 7, Paragraph g, except that no lake improvement grants are authorized under this subdivision and the per project limit for state grants shall be \$200,000.

\$2,000,000 of this appropriation shall be reserved for projects outside the metropolitan area as defined in Minnesota Statutes, Section 473.121, Subdivision 2.

The state planning agency shall administer the natural resources and land and water conservation fund grants-in-aid to local units of government. Notwithstanding any other law to the contrary these grants are not contingent upon the matching of federal grants.

This appropriation shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commission regarding such expenditures.

(h) Grants-in-aid for regional recreation and natural areas

2,000,000

2,000,000

This appropriation is available to pay up to 50 percent of the total cost or 50 percent of the local share, where federal matching funds are used, for long term lease, acquisition and major development for recreation projects, natural areas and open space serving a regional need to counties, local units of government, special units of government and public educational institutions authorized to acquire, maintain and operate recreational and natural areas.

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\$2,000,000 of this appropriation shall be reserved for projects outside the metropolitan area as defined in Minnesota Statutes, Section 473.121, Subdivision 2.

Priorities for the use of funds provided in this subdivision will be given to projects eligible for federal funding and which are consistent with priorities established by regional recreation and open space plans.

The amount needed but not to exceed \$1,000,000, in fiscal year 1978 and \$1,000,000 in fiscal year 1979, from this appropriation shall be transferred to the metropolitan council to pay principal and interest coming due in the respective fiscal years on bonds issued pursuant to Laws 1974, Chapter 563, Section 7, Subdivision 2; none of this amount may be expended for professional services.

The state planning agency shall administer the natural resources and land and water grants-in-aid program.

This appropriation shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commission regarding such expenditures.

(i) Regional significance designation

45,000

45,000

The agency shall make grants to the various regional development commissions or other appropriate bodies, outside the area defined in Minnesota Statutes 1976, Section 473.121, Subdivision 2, to provide partial assistance to be distributed pursuant to the regular fiscal year contracts with the respective commissions. The grants are for the preparation of lists of existing and prospective sites and facilities within each region which indicate, by priority for both acquisition and development, those areas which are considered as having re-

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gional significance. After July 1, 1978, grants-in-aid for recreation and natural areas under paragraph h, above, shall be made, so far as feasible, consistent with the listing prepared and submitted under this paragraph.

It is anticipated that this program will expire on or before June 30, 1979. If administrative rules are deemed necessary for this particular program by the attorney general, the agency shall amend existing administrative rules as applicable.

(j) Uniform generalized forest maps

The unexpended balance of the appropriation made in Laws 1975, Chapter 204, Section 55, Subdivision 7, Paragraph c, which could not be spent due to delay of the state forest inventory, is reappropriated.

Subd. 10. Regents of the university of Minnesota

(a) Mines directory

12,500

12,500

To the department of civil and mineral engineering for publication of the directory. Future publishing of the directory shall be included in the regular budget.

(b) Pilot plant—copper nickel process

200,000

To the department of civil and mineral engineering to develop and implement a pilot plant operation to demonstrate bulk and differential flotation of copper nickel ore. The work program shall be reviewed by the director of the regional impact study and interim and final results submitted in sufficient time for incorporation into the reports of the study.

(c) Study of autogenous grinding and tailings analysis—copper nickel

100,000

100,000

To the department of civil and mineral engineering to conduct studies on autogenous grinding techniques and to analyze copper nickel tailings both for the potential energy and environmental ef-

	1978	1979
	\$	\$
fects and to determine the mineral reclamation potential. The director of the copper nickel regional impact study shall review and comment upon the work program.		
(d) Publish regional soils atlas	35,000	35,000
To the agricultural experiment station to finish publication of the soil atlas series regional scale for the entire state.		
(e) Accelerated detailed soil survey	483,500	483,500
To the agricultural experiment station for acceleration of detailed county soil surveys. The costs of the program shall be shared between local, state and federal units of government, on a pro rata basis depending upon land ownership by the respective levels of government. The work program shall be developed in concert with the members of the Minnesota cooperative soil survey.		
(f) Southeast Minnesota groundwater contamination	30,000	30,000
To the Minnesota geological survey to study the geology and subsurface drainage in the karst region of southeastern Minnesota. The work program shall be developed in concert with the department of health and submitted jointly with the other agencies involved.		
(g) Publish geologic data	50,000	50,000
To the Minnesota geologic survey to publish important existing data not presently available in a form sufficient to meet current requests.		
(h) Aeromagnetic mapping assessment	100,000	100,000
To the Minnesota geologic survey. Of this amount \$50,000 is to conduct a feasibility analysis and recommend a strategy for state involvement in aeromagnetic mapping and up to \$150,000 is available to conduct pilot efforts to evaluate that strategy in further development of a state plan for aeromagnetic data collection. Expenditure of		

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\$

\$

the latter amount is subject to the recommendation of the legislative commission on Minnesota resources. Data shall be collected in a format consistent and compatible with the Minnesota land management information system and provided to that system.

(i) Southeast Minnesota groundwater contamination

22,287

22,286

To the college of veterinary medicine, for an epidemiological study related to the human and animal health effects of well water. The work program shall be developed in concert with the department of health and submitted jointly with the other agencies involved. Maximum effort shall be exerted to obtain matching moneys or in kind services to expedite or improve the study.

(j) Assessment of lake improvement techniques—Eagle Lake

50,090

25,000

To the Morris branch for a fifth year benchmark study and report by December 15, 1978 which evaluates the effectiveness of the lake improvement techniques employed on Eagle lake, in conjunction with other state and federal agencies.

Subd. 11. Professional services

(a) Department of natural resources

Of the amounts appropriated to the commissioner of natural resources in this section for land acquisition and development purposes, not more than 15 percent may be expended for professional services.

(b) State planning agency

Of the amounts appropriated in subdivision 9, paragraphs (g) and (h) of this section, not more than \$249,000 may be spent by the state planning agency for administration of the grants-in-aid programs specified therein.

(c) Pollution control agency

Of the amount appropriated in subdivi-

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\$

vision 8 (b) for lake improvement grants, not more than five percent may be spent by the pollution control agency for administration of the grants-in-aid programs specified therein.

Subd. 12. Work programs

It is a condition of acceptance of the appropriations made by this section that the agency or entity receiving the appropriation shall submit work programs and semiannual progress reports in the form determined by the legislative commission on Minnesota resources. None of the moneys provided in this section may be expended unless the commission has approved the pertinent work program.

Subd. 13. Natural resources federal reimbursement account

Federal reimbursements and match money received for the purposes described in Minnesota Statutes, Chapter 86, regardless of the source of state match, credit or value used to earn the reimbursement or match shall in the first instance be credited to a federal receipt account by the state agency receiving the reimbursement or match. Any state department or agency, including the Minnesota historical society and the university of Minnesota, which receives reimbursements or matching moneys as described above shall transfer those amounts to the natural resources federal reimbursement account. Of the amounts transferred, \$1,000,000 is appropriated for the purposes of that account.

Any land and water conservation fund moneys received over and above the normal state apportionment from that fund are also appropriated for the purposes of this reimbursement account. This appropriation is additional to the specific amount appropriated from the amounts transferred in this subdivision.

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These appropriations are available for the purposes of state land acquisition and development as described in this section, when the acquisition and development is deemed to be of an emergency or critical nature. In addition these moneys are available for studies initiated by the legislative commission on Minnesota resources that are found to be proper in order for the commission to carry out its legislative charge.

Requests for allocation from the account for acquisition or development must be accompanied by a certificate signed jointly by the state planning officer and commissioner of natural resources, showing a review of the application against Minnesota Statutes, Chapter 86A. Copies of the certification must be submitted to the appropriate legislative committees and commissions.

After all the federal reimbursement and matching moneys are received for the Upper St. Croix riverway project, this account may be used to provide additional state moneys for acquisition and development on that project, and the necessary amounts are appropriated for the project. This appropriation is additional to the specific amounts appropriated in this subdivision.

The appropriations made in this subdivision shall be expended with the approval of the governor after consultation with the legislative advisory commission. The legislative commission on Minnesota resources shall make recommendations to the legislative advisory commission regarding the expenditures.

Subd. 14. For all appropriations in this section, if the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Sec. 34. COMMERCE

	1978	1979
	\$	\$
General Operations and Management	4,594,445	4,677,598

Approved Complement—215

The amounts that may be expended from this appropriation for each program are as follows:

Supervision of State Chartered Financial Institutions

\$1,576,774 \$1,600,790

For 1977—\$32,784

Investment Protection

\$638,439 \$651,547

For 1977—\$19,500

Consumer Services

\$374,549 \$382,548

Regulation of Insurance Companies

\$1,258,786 \$1,281,754

For 1977—\$7,700

General Support

\$745,897 \$760,959

For 1977—\$4,200

The commission with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations in the house of representatives.

Sec. 35. BOARD OF ABSTRACTORS

3,962 3,639

Sec. 36. BOARD OF ACCOUNTANCY

130,588 135,716

Approved Complement—2

Sec. 37. BOARD OF ARCHITECTURE, ENGINEERING AND LAND SURVEYING

203,862 206,209

Approved Complement—7

Sec. 38. BOARD OF BARBER

	1978	1979
	\$	\$
EXAMINERS	80,015	80,646
Approved Complement—3		
Sec. 39. BOARD OF COSMETOL- OGY	328,817	333,630
Approved Complement—16		
Sec. 40. BOARD OF ELECTRIC- ITY	1,616,940	1,671,265
Approved Complement—18		
Sec. 41. BOARD OF EXAMINERS IN WATCHMAKING	6,314	6,020
Sec. 42. BOARD OF BOXING	22,258	22,258
Approved Complement—1		
Sec. 43. LABOR AND INDUSTRY General Operations and Manage- ment	4,705,525	4,777,496
Approved Complement		
1978—249		1979—250
General—205		206
Federal— 44		44

The amounts that may be expended from this appropriation for each program are as follows:

Employment Standards Regulation and Enforcement

\$586,229 \$594,558

Workers' Compensation Regulation and Enforcement

\$2,243,529 \$2,285,878

The commissioner shall establish a pool of court reporters sufficient to allow the authorized number of reporters to handle all the cases in the department for which their services are needed.

Code Enforcement

\$585,076 \$595,128

OSHA Regulation and Enforcement

	1978	1979
	\$	\$
\$773,558		\$782,978
General Support		
\$517,133		\$518,954
For 1977 — \$33,140		

The commissioner of labor and industry with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 44. MEDIATION SERVICES

General Operations and Management	672,374	684,266
Approved Complement — 25		

The director shall charge a fee to each participant at a labor relations education seminar or workshop so that all expenditures except salaries of bureau employees are reimbursed at least 100 percent. Receipts shall be credited to the general fund.

For the purposes of Minnesota Statutes, Section 43.067, the head of the bureau of mediation services shall be considered to be the commissioner of labor and industry.

Sec. 45. PUBLIC EMPLOYMENT RELATIONS BOARD

General Operations and Management	43,269	42,313
Approved Complement — 1		

Sec. 46. PUBLIC SERVICE

General Operations and Management	3,504,990	3,549,497
Approved Complement		
1978 — 133		1979 — 134

The amounts that may be expended from this appropriation for each program are as follows:

Utility Regulation

\$855,633	\$885,259
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	1978	1979
	\$	\$
Transportation and Warehouse Regulation		
	\$120,424	\$122,557

Weights and Measures

	\$1,237,527	\$1,245,523
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General Support

	\$1,291,406	\$1,296,158
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The public service department with the approval of the commissioner of finance may transfer unencumbered balances among the above programs.

Sec. 47. EMPLOYMENT SERVICES

Summer Youth Employment	250,000	250,000
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If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

This appropriation is available the day following final enactment and until expended.

The commissioner of finance shall transfer these amounts from the federal fund to the general fund.

Sec. 48. ECONOMIC DEVELOPMENT

General Operations and Management	2,066,948	2,135,691
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Approved Complement — 48

General — 47

LCMR — 1

The amounts that may be expended from this appropriation for each program are as follows:

Business and Industry Services

	\$876,583	\$905,055
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Of this appropriation, \$85,000 in fiscal 1978 and \$90,000 in fiscal 1979 is for a grant to the Port Authority of Duluth.

1978

1979

Of the appropriation for business and industry services no more than \$62,500 each year shall be spent for domestic advertising and promotion.

Advertising is defined as all non-personal communication in measured media under clear sponsorship, including television, radio, print, outdoor media and direct mail. Promotion is defined as personal forms of sponsored communication, including trade shows, exhibits, consumer education, demonstration activities, and convention and conference attendance.

Tourism Industry Services

\$658,516 \$688,266

\$200,000 each year is for tourism advertising and promotion.

\$175,000 the first year and \$200,000 the second year is for tourism grants. The commissioner of economic development may enter into project agreements with organizations or corporations for the purpose of developing the tourism potential of the state. If in the judgment of the commissioner a project will make a meaningful contribution to the tourism development of the state, he may enter into local or regional agreements. No agreement shall be for more than 50 percent of the total annual project cost.

Administration Services

\$531,849 \$542,370

The commissioner shall recommend a schedule of fees pursuant to section 16A.128 to be charged for services rendered by the department in furnishing reports, publications, or related publicity or promotional material that is paid for from this appropriation.

The fees prescribed by the commissioner shall be commensurate with the cost of furnishing the services or the

	1978	1979
	\$	\$

distribution objective of the department for the material produced. All fees for services and materials shall be collected by the department and deposited in the general fund.

Department publications may contain advertising and may receive advertising revenue from profit and non-profit organizations, associations, individuals and corporations, other state, federal or local government agencies. Advertising revenues collected by the department shall be deposited in the general fund. The commissioner shall set advertising rates and fees commensurate with services rendered and distribution objectives.

The commissioner of economic development with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 49. MILITARY AFFAIRS

General Operations and Management

3,300,599

3,371,396

Approved Complement—183

General—170

Federal— 13

Plus additional personnel as may be financed entirely from federal money for the period federal money is available.

The amounts that may be expended from this appropriation for each program are as follows:

Maintenance of Military Training Facilities

\$2,555,798 \$2,617,997

General Support

	1978	1979
	\$	\$
	\$744,801	\$753,399

The adjutant general with the approval of the commissioner of finance may transfer unencumbered balances between the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Notwithstanding any other provision of this act or any other law, the portion of appropriations made in this section that relate to facility maintenance and repairs shall be available for allotment, encumbrance and expenditure upon passage of this act, for the purpose of financing federal reimbursement contracts.

Sec. 50. VETERANS AFFAIRS

General Operations and Management

2,609,667	2,571,903
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Approved Complement

1978—163	1979—228
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The amounts that may be expended from this appropriation for each program are as follows:

Veterans Benefits

\$1,124,802	\$1,142,921
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If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Of this appropriation, \$61,000 each year is for war veterans and war orphans education aid, to be expended pursuant to Minnesota Statutes, Section 197.75.

Veterans Services

\$734,757	\$747,613
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Veterans Home

\$734,676	\$665,229
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Of the amounts appropriated for the

1978

1979

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veterans home, including any additional federal money and dedicated receipts that are available for maintenance and repair, not to exceed \$1,839,921 is for salaries for the year ending June 30, 1978, and \$2,610,449 is for salaries for the year ending June 30, 1979, but may be augmented by money appropriated for salary increases by the 1977 legislature.

Federal aid, compensation, or reimbursement from the federal government or otherwise received by the Minnesota veterans home, and all receipts from maintenance charges are reappropriated to be used for the purpose of supplementing this appropriation; however, any income in excess of \$2,109,939 for fiscal year 1978, and \$3,003,165 for fiscal year 1979 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.

No commissary privileges including food, laundry service, janitorial service, and household supplies shall be furnished to any employee paid from this appropriation.

Big Island Veterans Camp

\$ 15,432 \$ 16,140

The commissioner of veterans affairs with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 51. PUBLIC SAFETY

General Operations and Management

44,737,792

45,148,613

Approved Complement

	1978	1979
	\$	\$
1978—1683		1979—1703
General—	279	279
Special Revenue—	101	112
Trunk Highway—	1021	1024
Highway User—	209	220
Federal—	73	68

The above approved complement includes 504 for all unclassified patrol officers and supervisors of the highway patrol. This complement shall not be exceeded during the biennium. Nothing in this provision is intended to limit the authority of the commissioner of public safety to transfer personnel, with the approval of the commissioner of finance, among the various units and divisions within this section provided that the above complement shall be reduced accordingly.

No new highway patrol supervisory positions shall be established, with the exception of special duty assigned ranks for the length of assignment only.

Of this appropriation, \$27,507,457 for the first year and \$28,144,898 for the second year are from the trunk highway fund for traffic safety programs. The commissioner of finance shall transfer on a quarterly basis the appropriation made from the trunk highway fund in this section. \$7,440,828 for the first year and \$7,711,215 for the second year are from the highway user tax distribution fund for the administration of motor vehicle laws.

Of this appropriation, \$9,757,007 for the first year and \$9,260,000 for the second year are from the general fund.

The amounts that may be expended from this appropriation for each program are as follows:

Administration and Related Services

\$1,384,660 \$1,455,065

1978

1979

\$

\$

Investigation, Enforcement and Emergency Assistance

\$27,072,446 \$27,041,572

Of this appropriation, \$720,000 is for the purpose of investigating cross jurisdictional criminal activity. County sheriffs or the chief administrative officer of city police departments may use up to \$250,000 for criminal investigatory activity including purchases of drugs and acquisition of information relating to possession and sale of controlled substances. County sheriffs or the chief administrative officer of city police departments may use up to \$200,000 for criminal investigatory activity, including purchases of contraband and information relating to receiving or selling stolen goods. Application for money shall be made to the commissioner of public safety on forms and pursuant to procedures developed by the superintendent of the bureau of criminal apprehension and shall describe the type of intended criminal investigation and an estimate of the amount of money required. A report shall be made to the commissioner at the conclusion of any investigation for which this money is used stating: (1) the number of persons arrested, (2) the nature of the charges filed against them, (3) the nature and value of controlled substances or contraband purchased or seized, and (4) the amount of this money paid to informants during the investigation. Unused funds shall be returned to the commissioner by the reporting agency. Applications to the commissioner shall be maintained as confidential records. Reports at the conclusion of an investigation are public records. Any unencumbered balance remaining in the first year shall not cancel but is available for the second year of the biennium.

\$50,000 each year is for the bureau of criminal apprehension to provide in-

1978

1979

\$

\$

service training for peace officers on a regional basis.

\$23,158 is to reimburse the city of Breckenridge for fire disaster costs and fire related costs over and above normal fire call procedures incurred pursuant to directions from the state fire marshal and otherwise.

\$320,362 in fiscal 1978, and \$371,179 in fiscal 1979 is for the air patrolling of highways.

The commissioner shall develop a plan to transfer ten administrative sergeants and three pilots to patrolling of highways by November 1, 1977 and shall implement the plan by January 1, 1978.

The commissioner shall maintain not more than three helicopters in flight condition.

The commissioner shall continue the air watch traffic patrol at a level of service at least equal to that currently provided, even though this may require some helicopter pilots to perform more than one duty.

The personnel involved in the support of the weigh scale and spot motor vehicle inspection programs shall be provided by the commissioner of transportation. This appropriation is from the trunk highway fund.

This appropriation provides sufficient money to operate the mobile truck weighing program on a 12 month basis.

Licensing

\$15,943,968 \$16,314,436

The primary computer development effort of the department shall be to functionally integrate the motor vehicle, driver license, and traffic records information systems of the department. Projects currently planned or underway that would redesign these record systems shall be terminated. To the extent they are consistent with a

	1978	1979
	\$	\$
functionally integrated information system, the objectives of any terminated project shall be incorporated in the objectives of the record integration project.		
Ancillary Services		
\$336,718 \$337,540		
Of this appropriation \$32,500 each year is appropriated from the state airports fund for the civil air patrol.		
The commissioner of public safety with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.		
Sec. 52. INDIAN AFFAIRS INTERTRIBAL BOARD	159,886	162,562
Approved Complement—7		
Sec. 53. COUNCIL FOR THE HANDICAPPED	215,625	232,623
Approved Complement—8		
Sec. 54. HUMAN RIGHTS		
General Operations and Management	717,118	726,943
Approved Complement—45		
General—33		
Federal—12		
The amounts that may be expended from this appropriation for each program are as follows:		
Human Rights Enforcement		
\$424,292 \$431,054		
Management, Planning and Information Service		
\$292,826 \$295,889		

	1978	1979
	\$	\$
<p>The commissioner of human rights with the approval of the commissioner of finance may transfer unencumbered balances among the above programs. Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives.</p>		

Sec. 55. MINNESOTA MUNICIPAL BOARD

	135,648	137,461
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Approved Complement—4

Sec. 56. TORT CLAIMS

	750,000	750,000
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To be disbursed by the commissioner of finance.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Sec. 57. WORKERS' COMPENSATION

For 1977—\$601,824

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:

Legislative Audit Commission	11,429
Supreme Court	318
District Court	2,418
Secretary of State	59
Administration	110,727
Revenue	30,761
Agriculture	45,607
Livestock Sanitary Board	3,532
Natural Resources	272,465
Commerce	7,544
Labor and Industry	16,447
Public Service	16,028

	1978	1979
	\$	\$
Military Affairs	50,933	
Veterans' Affairs	9,630	
Public Safety	23,926	

Of the amount appropriated, \$78,494 is from the game and fish fund.

The appropriations in this act for the operation of each state department or agency, except the department of natural resources, in fiscal 1978 and 1979 include amounts needed to pay workers' compensation obligations to the state compensation revolving fund. It is the intent of the legislature not to appropriate additional money at any future time to pay workers' compensation obligations for fiscal 1978 and 1979, except for the department of natural resources or as may be required by an increase in the statutory level of workers' compensation benefits.

Sec. 58. UNEMPLOYMENT COMPENSATION

For 1977—\$1,250,220

To the commissioner of finance for transfer to the unemployment compensation fund in reimbursement for unemployment compensation benefits paid to former employees of the following agencies in the amounts as indicated:

Supreme Court	1,575
Governor's Commission on Crime Prevention	17,321
Secretary of State	3,701
Attorney General	3,612
Administration	47,864
Agriculture	53,377
Natural Resources	1,027,350
Labor and Industry	22,616

	1978	1979
	\$	\$
Mediation Services	1,545	
Public Service	4,027	
Economic Development	6,692	
Military Affairs	15,503	
Veterans' Affairs	18,129	
Public Safety	23,392	
Human Rights	3,516	

Of the amount appropriated, \$226,070 is from the game and fish fund.

The appropriations in this act for the operation of each state department or agency, except the department of natural resources, in fiscal 1978 and 1979 include amounts needed to pay unemployment compensation obligations to the unemployment compensation fund. It is the intent of the legislature not to appropriate additional money at any future time to pay unemployment compensation obligations for fiscal 1978 and 1979, except for the department of natural resources or as may be required by an increase in the statutory level of unemployment compensation benefits.

Sec. 59. The appropriation made to the commissioner of administration by Laws 1976, Chapter 333, Section 17, Subdivision 2, shall not cancel but is available until June 30, 1978.

Sec. 60. [TRANSFERS.] Subdivision 1. The commissioner of finance shall make the transfers provided for in this section.

Subd. 2. The commissioner shall transfer the sum of \$5,224.39 from the highway user tax distribution fund to the general fund to correct an underestimate in the cost of collecting the tax on gasoline and gasoline substitutes during the 1973-75 biennium.

Subd. 3. The commissioner shall transfer the sum of \$1,683,437.99 from

1978

1979

\$

\$

the highway user tax distribution fund to the general fund to reimburse the general fund for the cost of collecting the tax on gasoline and gasoline substitutes and the cost of bond premiums during the 1975-77 biennium.

Sec. 61. [DETAILS.] *The staffs of the senate finance committee and the house appropriations committee shall, at the request of agencies receiving appropriations in this act and the commissioner of finance, provide wherever available detailed information on the activities and subjects of expenditures that go into the appropriation totals.*

Sec. 62. [OPEN APPROPRIATION FOR COST OF LIVING ADJUSTMENTS.] *Subdivision 1. There is appropriated to the commissioner of finance from the appropriate funds in the state treasury the sums necessary to pay cost of living increases to classified employees and unclassified employees who are paid salaries comparable to employees in civil service pay schedules A, B and C and the labor service. The increases may be paid to covered employees of the legislative, executive and judicial branches of state government, employees of the state highway patrol, employees of the Minnesota historical society and nonacademic employees of the university of Minnesota who are paid by state funds, if the increases are authorized by law during the 1977 session of the legislature or if the increases are authorized by appropriate resolutions for employees of the legislature. Cost of living adjustments authorized by Minnesota Statutes, Section 43.127, shall be paid pursuant to this section.*

Subd. 2. The commissioner shall transfer the amounts to the appropriate accounts. Sums so transferred are appropriated for the biennium beginning July 1, 1977.

Subd. 3. Any sums certified and transferred to the university of Minnesota under the provisions of this section shall only be used for the purpose certified. Any sum transferred that exceeds the increased cost above the amount appropriated for that purpose shall be returned and deposited in the state treasury.

Sec. 63. [PAYMENT OF BASIC LIFE INSURANCE AND HEALTH BENEFIT COVERAGE.] *In the event that premium rates for basic life insurance and basic health benefit coverage authorized for eligible state employees and their dependents are increased over the rates in existence at the time of the passage of this act, the commissioner of finance is authorized to transfer the required amounts to the appropriate accounts of state agencies and the university of Minnesota. The sums of money necessary for the purposes are appropriated from such account and funds in the state treasury. In order to enable the commissioner of finance to maintain proper records covered by the appropriations made by this section he may require certification in connection therewith as he may deem necessary from any state departments*

or the university of Minnesota whose members receive benefits pursuant to Minnesota Statutes, Sections 43.42 to 43.50. The sums transferred are appropriated. The appropriations made by this section are for the biennium beginning July 1, 1977.

Sec. 64. [COMPUTER SYSTEM DEVELOPMENT.] *In all cases where an appropriation made in this act includes money for computer system development, development shall not proceed beyond PRIDE phase I until the project has been reviewed and approved by the commissioners of administration and finance. All approved projects shall be reported to the chairmen of the house appropriations committee and senate finance committee to receive their recommendation on the project. A recommendation is advisory only. In the case of rejected projects, the commissioner of finance shall cancel the unencumbered balance of the appropriation allotted for development of the project.*

Sec. 65. [FORT SNELLING OFFICERS' ROW.] *Subdivision 1. The commissioner of administration, if authorized by a deed from the federal government regarding the following described property, may sell and convey to any individual or organization any or all of the historic homes located along Taylor Avenue, Fort Snelling, known as "Officers' Row" and the annex building, these being numbered 151 to 161, and the lands on which the buildings are situated. Any sale shall be made on a competitive bid basis under terms and conditions in addition to those contained in this section that the commissioner deems appropriate and the conveyance shall be made subject to a perpetual easement in favor of the state of Minnesota for the purpose of preserving the historical character of the exterior of the buildings and their grounds. The commissioner shall enter into a contract for deed. The contract shall require the purchaser to comply with the provisions of this section and shall not extend the period of time for the payment of the purchase price. The contract for deed shall require, as a condition of the contract, that the purchaser shall, in addition to making all necessary payments, make the necessary changes to place the buildings in compliance with state building code standards applicable to the buildings' classification and occupancy before the state will issue the quit claim deed.*

Subd. 2. In the event any or all of the buildings are not sold under the provisions of subdivision 1, the commissioner of administration may lease any or all of the unsold buildings. The terms of the lease shall provide that the lessee maintain and preserve the historical exterior of the buildings and maintain the property for public park or public recreational purposes. The provisions of this subdivision are not subject to Minnesota Statutes 1976, Section 16.02, Subdivision 14.

Subd. 3. Within 30 days of the enactment of this section the commissioner of natural resources and the director of the Minnesota historical society shall submit their recommendations as to criteria for acceptable use of the buildings to the commissioner of administration. The recommendations are advisory only. The commissioner of administration shall finally determine acceptable use criteria and may reject any bid for sale or any lease that does not meet such criteria. The commissioner shall not demolish any of the buildings until he has first consulted with the chairmen of the senate finance committee and the house appropriations committee and received their recommendations thereon. The recommendations are advisory only.

Subd. 4. Any sale or lease shall require the purchaser or lessee to cause the buildings to meet the state building code standards applicable to the buildings' classification and occupancy within a stated period of time. Failure to bring the building up to standard within the specified time limit shall be cause to cancel the lease or, in the case of sale, the failure will be in violation of the contract for deed and the contract will cancel. If the contract for deed is cancelled, the state shall retain amounts paid by the purchaser as payment for use of the premises.

Subd. 5. The commissioner of natural resources and the director of the Minnesota historical society shall forthwith take all necessary steps to have the use plan that was submitted to the United States of America on June 28, 1971, amended to permit the state to sell or lease the buildings designated in subdivision 1.

Subd. 6. The sum of \$75,000 appropriated for Fort Snelling Officers Row preservation and restoration by Laws 1975, Chapter 204, Section 55, Subdivision 5, Clause (g) is appropriated to the commissioner of administration to conduct architectural and engineering studies of the buildings and lands described above, prepare other information he deems necessary to sell or lease the property, pay the costs of advertising the property, and pay any other costs related to the sale or lease of the property.

Subd. 7. This section is effective the day following final enactment.

Sec. 66. [4.191] [PLANNING PROGRAMS.] *Prior to commencing a study, research, or planning program, a state agency or department shall file with the state planning agency on a form prescribed by the agency, a description of the proposed project, including title, purpose, staff assigned, consultants to be used, cost, completion date, and other information prescribed by the agency as appropriate. The agency shall develop rules to exclude from the filing requirement projects that the agency determines are of minor significance.*

Upon completion of the project, a copy shall be filed with the state planning agency. The state planning agency shall review the planning programs of state departments and agencies and submit to the legislature by November 15 of each year a report of findings and recommendations.

Sec. 67. Minnesota Statutes 1976, Section 5.08, Subdivision 2, is amended to read:

Subd. 2. [DISTRIBUTION.] 15,000 copies of the legislative manual shall be printed and distributed as follows:

(1) 25 50 copies shall be available to each member of the legislature on request;

(2) 50 copies to the state historical society;

(3) 25 copies to the state university;

(4) 60 copies to the state library;

(5) Two copies each to the library of Congress, the Minnesota veterans home, the state universities, the state high schools, the public academies, seminaries, and colleges of the state, and the free public libraries of the state;

(6) One copy each to the state institutions not hereinbefore mentioned, the elective state officials, the appointed heads of departments, the officers and employees of the legislature, the justices of the supreme court, the judges of the district court, the senators and representatives in Congress from this state, and the county auditors;

(7) One copy to each public school, to be distributed through the superintendent of each school district; and

(8) The remainder may be disposed of as the secretary of state deems best, and at a price the secretary of state shall establish. All receipts from the sale of the legislative manual shall be deposited to the general fund.

Sec. 68. Minnesota Statutes 1976, Section 5.09, is amended to read:

5.09 [LEGISLATIVE MANUAL, STUDENTS' EDITION.] The secretary of state, subject to the approval of the president pro tem of the senate and speaker of the house of representatives, shall prepare, compile, edit, and distribute a brief edition of the legislative manual, as provided in section 5.08, suitable for sale to school pupils at a price to be fixed by the secretary of state.

Sec. 69. Minnesota Statutes 1976, Section 10.30, is amended to read:

10.30 [EMPLOYEES' COMPENSATION REVOLVING FUND, REIMBURSEMENT.] In all cases where any state department owes the employees' compensation revolving fund, created by sections 176.591, 176.601 and 176.611, for claims paid its employees, and no direct appropriation is made therefor, such department shall reimburse the revolving fund from the funds available to it for supplies and expense money appropriated for operation of the department.

Sec. 70. Minnesota Statutes 1976, Section 16.025, Subdivision 1, is amended to read:

16.025 [PERFORMANCE OF CERTAIN WORK FOR STATE AGENCIES.] Subdivision 1. [NATURE OF WORK.] The commissioner of administration may repair, alter, or construct machinery, furniture, or other property for any officer, department, or agency of the state, or construct any partition or alter any arrangement of an office upon written requisition by such officer or the head of such department or agency. Any such requisitions involving the public or ceremonial areas of the state capitol building shall be executed in conformance with the policies and standards set for the capitol by the capitol area architectural and planning board and the commissioner of administration pursuant to section 15.50, subdivision 2, clause (h). Such requisition shall be subject to the allotment and encumbrance provisions of Laws 1939, Chapter 431. In addition to the foregoing, the commissioner may provide centralized operation and maintenance services, excluding janitorial cleaning, for such state owned buildings as are specified in section 16.02, subdivision 6. The commissioner shall charge and collect for such services in the manner prescribed in subdivision 3 for repairs, alteration, or construction.

Sec. 71. Minnesota Statutes 1976, Section 16A.095, Subdivision 2, is amended to read:

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 from time to time select agencies and departments to implement improvements in 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 improvements in the budgeting system for all state departments and agencies. Such The 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 agencies 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 it has first secured the explicit permission of the commissioner of finance.

Sec. 72. Minnesota Statutes 1976, Section 16A.10, Subdivision 1, is amended to read:

16A.10. [COMMISSIONER TO PREPARE BUDGET.] Subdivision 1. [BUDGET ESTIMATE FORMS.] It shall be the duty of the commissioner, or his designated deputy, to prepare the budget for all state departments and agencies, subject to the approval of the governor. By May 1 of each even-numbered year, the commissioner shall furnish the committee on finance of the senate and the committee on appropriations of the house of representatives with copies of the budget forms he proposes to use in the detailed budget estimates presented by the governor to the legislature and shall receive their recommendations on possible improvements in the forms. The recommendations are advisory only. The commissioner shall furnish every department, official, and agency of the state authorized to expend state moneys with a sufficient number of budget estimate forms for its use by September first of each even-numbered year. The budget forms shall be so drawn as to show actual expenditures for the two preceding fiscal years, estimated expenditures for the current fiscal year, and estimates for each fiscal year of the succeeding biennium, the same data in respect to departmental receipts, and an estimated appropriation balance at the end of the current fiscal year. The estimated expenditures shall be classified to set forth the data by funds, organization units, and character, and objects of expenditures, and the organization units agency may be subclassified by functions programs and activities. The department revenue estimates shall show the basis upon which the estimates

were made and the factors involved in the same, and shall be classified so as to show receipts by funds, ~~organization units, and sources of income programs, and activities.~~ *The estimates of expenditures and revenue shall be based upon the law in existence at the time the estimates are prepared.*

Sec. 73. Minnesota Statutes 1976, Section 16A.10, Subdivision 2, is amended to read:

Subd. 2. [FILING BUDGET ESTIMATES.] Each such state department, official, or agency shall, not later than the first day of October preceding the convening of the legislature, file with the commissioner its estimates in the form provided, including a full concise explanation of its requests for any increased appropriations and for the expansion of services and the addition of new activities, a statement of the work accomplished during the preceding biennium and the work proposed to be done for the next biennium, and a list of all employees, their titles, and their salaries. The commissioner shall prepare estimates for all departments, boards, and agencies that fail to file requests. *The commissioner shall transmit a copy of the budget estimates and accompanying information for the biennial budget as submitted by each department or agency to the commissioner to the committee on finance of the senate and to the committee on appropriations of the house of representatives on or before the 15th day of November of each even-numbered year.*

Sec. 74. Minnesota Statutes 1976, Section 16A.11, Subdivision 2, is amended to read:

Subd. 2. [BUDGET MESSAGE.] Part 1 of the budget shall consist of a budget message prepared by the governor, including his recommendations with reference to the fiscal policy of the state government for the coming biennium, describing the important features of the budget plan, embracing a general budget summary setting forth the aggregate figures of the budget so as to show the balanced relation between the total proposed expenditures and the total anticipated income, with the basis and factors on which the estimates are made, the amount to be borrowed, and other means of financing the budget for the ensuing biennium, compared with the corresponding figures for at least the last two completed fiscal years and the current year. The budget plan shall be supported by explanatory schedules or statements, classifying the expenditures contained therein by ~~organization units, objects, agencies~~ and funds, and the income by ~~organization units agencies,~~ sources, funds, and the proposed amount of new borrowing, as well as proposed new tax or revenue sources. The budget plan shall be submitted for all special and dedicated funds, as well as the general fund, and shall include the estimated amounts of federal aids, for whatever purpose provided, together with estimated expenditures therefrom.

Sec. 75. Minnesota Statutes 1976, Section 16A.11, Subdivision 3, is amended to read:

Subd. 3. [DETAILED BUDGET ESTIMATES.] Part 2 of the budget shall embrace the detailed budget estimates both of

expenditures and revenues. It shall also include statements of the bonded indebtedness of the state government, showing the actual amount of the debt service for at least the past two completed fiscal years, and the estimated amount for the current fiscal year and for the next two fiscal years, the debt authorized and unissued, the condition of the sinking funds, and the borrowing capacity. It shall also contain any statements relative to the financial plan which the governor may deem desirable or which may be required by the legislature. *The detailed estimates shall include the budget request of each department or agency arranged in tabular form so it may readily be compared with the governor's budget for each department or agency. They shall also include, as part of each agency's organization chart, a summary of the personnel employed by the agency, showing the complement approved by the legislature for the current biennium, additional complement positions authorized through the governor or the commissioner of finance, positions transferred into or out of the agency, additional part-time and seasonal positions and the number of employees of all kinds actually employed by the agency on June 30 of the last complete fiscal year. To the extent practical, the summary of personnel shall also be shown for each functional division of the agency, and for each fund and type of appropriation.*

Sec. 76. Minnesota Statutes 1976, Chapter 16A, is amended by adding a section to read:

[16A.123] [APPROVED COMPLEMENT.] *The approved complement set for an agency by law limits the number of persons who may be employed by the agency at any one time. The approved complement does not apply to independent contractors. In addition to the approved complement, part-time employees, seasonal or intermittent employees, summer student help, service workers, preservice trainees employed pursuant to affirmative action programs approved by the commissioner of personnel, CETA employees, or employees engaged in repair or construction projects may be employed with the advance approval of the commissioner of finance who shall determine the need for them and that money is available. The approved complement applies to persons employed by the agency regardless of the fund or appropriation from which they are paid.*

Additional full-time employees over the number of the approved complement may be employed on the basis of public necessity or emergency. If the employee is to be paid from a direct appropriation, the addition shall not be made without the written approval of the governor. The governor shall not approve the addition until after he has consulted with the legislative advisory commission and the commission has made its recommendation on the matter. The recommendation is advisory only. Failure or refusal to make a recommendation promptly is deemed a negative recommendation. If the employee is not to be paid from a direct appropriation, the addition may be made with the written approval of the commissioner of finance who shall determine the need for it and that money is available. The commissioner of finance shall promptly notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the additions.

Sec. 77. Minnesota Statutes 1976, Section 43.31, is amended to read:

43.31 [SERVICES AVAILABLE TO POLITICAL SUBDIVISIONS.] The services and facilities of the state personnel department and its staff shall be available upon request, subject to rules prescribed therefor by the commissioner, to political subdivisions of the state. In making such service and facilities available, it shall be understood that requirements for the enforcement and administration of the provisions of this chapter shall be given precedence and that the political subdivisions shall reimburse the state for the reasonable cost of such services and facilities.

The commissioner may enter into arrangements with personnel agencies in other jurisdictions for the purpose of exchanging services and effecting transfers of employees. The commissioner may also join or subscribe to any association or service having as its purpose the interchange of information relating to the technique of personnel administration. There is hereby appropriated to the state personnel department from such moneys as are credited to their account an amount sufficient to pay for the purposes of this section.

Sec. 78. Minnesota Statutes 1976, Section 85A.02, is amended by adding a subdivision to read:

Subd. 16. The board may acquire by lease-purchase or installment purchase contract, transportation systems, facilities and equipment that it determines will substantially enhance the public's opportunity to view, study or derive information concerning the animals to be located in the zoological garden, and will increase attendance at the garden. The contracts may provide for: (1) the payment of moneys over a twelve year period, or over a longer period not exceeding twenty-five years if approved by the commissioner of administration; (2) the payment of money from any funds of the board not pledged or appropriated for another purpose; (3) indemnification of the lessor or seller for damage to property or injury to persons due primarily to the actions of the board or its employees; (4) the transfer of title to the property to the board upon execution of the contract or upon payment of specified amounts; (5) the reservation to the lessor or seller of a security interest in the property; and (6) any other terms that the board determines to be commercially reasonable. Property so acquired by the board, and its purchase or use by the board, or by any non-profit corporation having a concession from the board requiring its purchase, shall not be subject to taxation by the state or its political subdivisions. Each contract shall be subject to the provisions of chapter 16, relating to competitive bidding, provided that the board is not required to readvertise for competitive proposals for any transportation system, facilities and equipment heretofore selected from competitive proposals taken pursuant to section 85A.03, subdivisions 4 and 4a.

Sec. 79. Minnesota Statutes 1976, Section 85A.04, Subdivision 1, is amended to read:

85A.04 [ZOOLOGICAL GARDEN ACCOUNTS IN THE

GENERAL FUND.] Subdivision 1. [MINNESOTA ZOOLOGICAL GARDEN GENERAL ACCOUNT.] A Minnesota zoological garden general account is created in the general fund. All receipts from the operation of the Minnesota zoological garden shall be deposited to the credit of such account and are hereby appropriated annually to the state zoological board to carry out the terms and provisions of this chapter. Money in this account may be expended *as appropriated biennially* for operation, capital improvements, and equipment of the Minnesota zoological garden, including lease rentals and for acquisition of wild and domestic animals therefor and for payment of the principal of and interest on Minnesota state zoological garden bonds.

Sec. 80. Minnesota Statutes 1976, Section 186.04, is amended to read:

186.04 [ASSESSMENTS FOR EXPENSE.] Every rule, regulation, or standard prescribed or approved by the governor shall contain provisions for assessing against and collecting from all persons, firms, and corporations, subject to the rules, regulations, or standards, as employer or employee, on a fair and equitable basis therein set forth, assessments sufficient for expenses incurred in connection with the promulgation of the rules, regulations, or standards, and administration, to be paid to the state treasurer and credited to the general fund, as may be prescribed. *Expenses of promulgation and administration shall be paid from appropriations for that purpose.*

Sec. 81. Minnesota Statutes 1976, Section 241.045, Subdivision 4, is amended to read:

Subd. 4. [COMPENSATION; EXPENSES.] Each member of the board other than the chairman shall receive as compensation the sum of \$20,000 ~~\$22,000~~ per year, payable in the same manner as other employees of the state. The chairman of the board shall receive as compensation his salary as an officer of the department of corrections, which shall not be less than the salary of the other members of the board. In addition to the compensation herein provided, each member of the board shall be reimbursed for all expenses paid or incurred by him in the performance of his official duties in the same manner as other employees of the state. This compensation and these expenses shall be paid out of the general fund in the same manner as the salaries and expenses of other state officers are paid, except that the salary and expenses of the chairman of the board shall be paid out of funds appropriated to the commissioner of corrections.

Sec. 82. Minnesota Statutes 1976, Section 268.06, Subdivision 25, is amended to read:

Subd. 25. [PAYMENTS TO FUND BY STATE AND POLITICAL SUBDIVISIONS IN LIEU OF CONTRIBUTIONS.] In lieu of contributions required of employers under this law, the state of Minnesota or its political subdivisions governed by this law shall pay into the unemployment compensation fund an amount equivalent to the amount of benefits paid and one half of the extended benefits paid to individuals based on wages paid

by the state of Minnesota or such political subdivisions. If benefits paid an individual are based on wages paid by both the state of Minnesota or such political subdivisions and one or more other employers, the amount payable by the state of Minnesota or such political subdivisions to the fund shall bear the same ratio to total benefits paid to the individual as the base-period wages paid to the individual by the state of Minnesota or such political subdivisions bear to the total amount of base-period wages paid to the individual by all his base-period employers. The amount of payment required under this subdivision shall be ascertained by the commissioner semi-annually. If the amount of benefits paid in any fiscal year from the fund to former employees paid from any one account from which salaries are paid as ascertained by the commissioner exceeds three percent of the total wages paid to all employees from that salary account during the preceding completed fiscal year, the excess amount shall be paid to the fund by including such sum in the biennial budget as submitted by the commissioner of the department of administration and shall be paid from such moneys in the state treasury that have not otherwise been appropriated.

Sec. 83. Minnesota Statutes 1976, Section 326.241, Subdivision 3, is amended to read:

Subd. 3. [FEES AND FINANCES; DISPOSITION.] All license fees collected under the provisions of Laws 1967, Chapter 602 sections 326.241 to 326.248 are to be credited to the general fund. Of The unexpended balance in a special fund of the board as of July 1, 1973, these portions attributable to previously collected license fees credited to the fund, but not inspection fees held in escrow 1977, shall be credited to the general fund. The expenses of administering sections 326.241 to 326.248 shall be paid from appropriations made to the board of electricity.

Sec. 84. Minnesota Statutes 1976, Section 362.125, is amended to read:

362.125 [PROMOTIONAL EXPENSES.] In the promotion of tourism and economic development of the state of Minnesota, the state commissioner of economic development may expend from moneys appropriated by the legislature for such purposes in the same manner as private persons, firms, corporations and associations make expenditures for such purposes *and in so doing shall not be governed by the provisions of chapter 16, except those relating to budget and allotment*. For purposes of allotment, encumbrance and disbursement all transactions for promotional purposes shall be coded under the commissioner of finance's object of expenditure code for advertising. The encumbrance shall be made on a miscellaneous encumbrance requisition. Any such expenditures for food, lodging or travel shall not be governed by the travel regulations of the commissioner of administration.

Sec. 85. Minnesota Statutes 1976, Section 363.14, Subdivision 1, is amended to read:

363.14. [COURT ACTIONS, SUITS BY PRIVATE PARTIES, INTERVENTION, DISTRICT COURT JURISDICTION, AT-

TORNEY'S FEES, AND COSTS.] Subdivision 1. [COURT ACTIONS, SUITS BY PRIVATE PARTIES, INTERVENTION.] A person may bring a civil action seeking redress for an unfair discriminatory practice, upon withdrawal of the complaint from the department of human rights, at the following times:

(a) Within 90 45 days after the commissioner has determined that there is no probable cause to credit the allegations contained in a charge filed with the commissioner, or, if the charging party requested a reconsideration, within 90 45 days after the commissioner has reaffirmed his determination of no probable cause; or

(b) After 90 45 days but within one year after the filing of a charge if at or prior to the time of bringing the civil action a hearing has not been held pursuant to section 363.071.

A charging party bringing a civil action shall mail by registered or certified mail a copy of the summons and complaint to the commissioner, and upon his receipt thereof the commissioner shall cause all proceedings in the department relating to the charge to terminate. No charge shall be filed or reinstated with the commissioner after a civil action relating to the same unfair discriminatory practice has been brought unless the civil action has been dismissed without prejudice.

Upon application by the complaining party to the district court at a special term thereof and in such circumstances as the court may deem just, the court may appoint an attorney for such person and may authorize the commencement of the action without payment of fees, costs, or security.

Upon timely application, the court may, in its discretion, permit the department to intervene in a civil action brought pursuant to this section upon certification that the case is of general public importance.

Upon request, the court may, in its discretion, stay further proceedings for not more than 60 days pending further efforts of the department to obtain voluntary compliance.

Sec. 86. Minnesota Statutes 1976, Section 472.13, Subdivision 1, is amended to read:

472.13 [APPROPRIATION TO DEVELOPMENT REVOLVING FUND.] Subdivision 1. There is hereby appropriated out of the general fund in the state treasury not otherwise appropriated the sum of \$1,500,000 to the state executive council to be used for the purposes set forth in these sections, *including excluding* the necessary cost of administration thereof. The sum hereby appropriated shall be credited to a special account in the state treasury to be known as the development revolving fund to be drawn upon and used by the state agency in the manner and for the purposes provided for in these sections.

Sec. 87. Minnesota Statutes 1976, Section 490.15, Subdivision 1, is amended to read:

490.15 [ESTABLISHMENT; COMPOSITION.] Subdivision 1. The board on judicial standards is established and consists of one judge of the district court, one judge of a municipal court, one judge of county court, two lawyers who have practiced law in the state for ten years and four citizens who are not judges, retired judges or lawyers. The board may employ or appoint an executive secretary is appointed by the governor. Members representing the district, municipal and county courts shall be appointed by their respective judicial organizations and the lawyer members shall be appointed by the board of governors of the Minnesota state bar association. The citizen members shall be appointed by the governor with the advice and consent of the senate. No member shall serve more than two full four-year terms or their equivalent. Membership terminates if a member ceases to hold the position that qualified him for appointment.

Sec. 88. Minnesota Statutes 1976, Chapter 624, is amended by adding a section to read:

[624.718] *Notwithstanding any other law to the contrary, cities of the first class may enforce local laws, ordinances or regulations governing the transfer of pistols that are more restrictive than state laws governing the transfer of pistols.*

Sec. 89. Minnesota Statutes 1976, Section 626.553, is amended to read:

626.553 [GUNSHOT WOUNDS; INVESTIGATIONS, REPORTS.] Subdivision 1. Upon receipt of the report required in sections 626.52 and 626.53, the sheriff or chief of police receiving the report shall determine the general cause of the wound, and if he determines that the wound was caused by an action connected with the occupation or sport of hunting or shooting he shall immediately conduct a detailed investigation into the facts surrounding the incident or occurrence which occasioned the injury or death reported. The investigating officer shall report the findings of his investigation to the commissioner of natural resources on forms provided by the commissioner for this purpose.

Subd. 2. *Whenever a peace officer discharges a firearm in the course of duty, other than for training purposes, notification shall be filed within thirty days of the incident by the officer's department head with the commissioner of public safety. The notification shall contain information concerning the reason for and circumstances surrounding discharge of the firearm. The commissioner of public safety shall file a report with the legislature by November 15 of each even numbered year containing summary information concerning use of firearms by peace officers.*

Sec. 90. Minnesota Statutes 1976, Section 626.846, is amended by adding a subdivision to read:

Subd. 3. *A peace officer who has satisfactorily completed a law enforcement training program in a post-secondary vocational-technical institute within the state which (1) is approved by the state board of education, (2) consists of 2,000 hours or more of basic police training, and (3) complies with rules with respect to*

curriculum promulgated by the attorney general, shall be exempt from the training requirements of this section, provided the peace officer successfully completes one year of employment as a probationary officer with a single law enforcement agency. Upon written notification to the executive director from the chief supervisor of the law enforcement agency that a peace officer under his supervision has fulfilled the requirements of the subdivision, the executive director shall certify the peace officer pursuant to section 626.845, clause (d). Provided, however, that nothing in this subdivision shall prevent any law enforcement agency from imposing any other training requirements upon peace officers it supervises or as a condition of employment.

Sec. 91. Laws 1971, Chapter 121, Section 2, as amended by Laws 1973, Chapter 217, Section 1, is amended to read:

Sec 2. [REIMBURSEMENT.] *There is annually appropriated from the game and fish fund \$5,000 to the department. The commissioner of natural resources may reimburse the sum of \$2,500 to the county of St. Louis and \$2,500 to the county of Lake for actual expenditures for carrying out the provisions of this act.*

Sec. 92. Laws 1976, Chapter 260, Section 3, is amended to read:

Sec. 3. [16.97] [CRIMINAL AND JUVENILE DEFENSE GRANTS.] *Subdivision 1. The sums Money appropriated by this act for the provision of criminal and juvenile defense to indigent individuals shall be distributed by the commissioner of administration in consultation with the attorney general to one the non-profit criminal and juvenile defense corporation in each of the five named localities corporations designated by law. Funds Money may not be disbursed to a corporation in the Leech Lake reservation area and or 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 Within its geographic area of responsibility each corporation shall accept cases involving felony, gross misdemeanor, and misdemeanor charges, and juvenile cases, where financial eligibility standards are met, unless there is a legal reason for rejecting a case. A corporation may accept cases arising outside of its geographic area of responsibility, as it deems appropriate. The commissioner of administration shall give notice 30 days in advance and conduct a hearing if he has reasonable grounds to believe funds money appropriated by for this act are purpose is 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 Payment shall cease from the date of notice until either the commissioner determines that the funds money 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.*

Subd. 2. An employee, administrator, or officer of a recipient of the money provided by this section who discriminates on the basis of sex, race, color, national origin, religion, or creed is guilty of a gross misdemeanor.

Sec. 93. [BALANCE TRANSFERRED.] *The unencumbered balance of each fund or account abolished by this act is transferred to the general fund.*

Sec. 94. [DATA PRIVACY.] *If not otherwise provided for by a chapter of Minnesota Laws 1977, the provision of section 15.162, subdivision 2a and the provisions of section 15.1642 which would have expired as of June 30, 1977, shall be in effect until July 31, 1978.*

Sec. 95. Minnesota Statutes 1976, Sections 4.19; 15.61, Subdivision 3; 16.025, Subdivision 2; 16.173; 16A.095, Subdivision 1; 16A.12; 138.025, Subdivision 9; and 299D.03, Subdivision 4, are repealed.

Sec. 96. [PLASTIC MILK BOTTLES.] *Notwithstanding any law to the contrary, no prohibition on the retail sale or the offer for retail sale of milk in nonreturnable, nonrefillable plastic containers shall be effective prior to July 1, 1978. This section is effective the day following final enactment."*

Further, delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for the general administrative and judicial expenses of state government with certain conditions; providing for the transfer of certain moneys in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; amending Minnesota Statutes 1976, Sections 5.08, Subdivision 2; 5.09; 10.30; 16.025, Subdivision 1; 16A.095, Subdivision 2; 16A.10, Subdivisions 1 and 2; 16A.11, Subdivisions 2 and 3; 43.31; 85A.02, by adding a subdivision; 85A.04, Subdivision 1; 186.04; 241.045, Subdivision 4; 268.06, Subdivision 25; 326.241, Subdivision 3; 362.125; 363.14, Subdivision 1; 472.13, Subdivision 1; 490.15, Subdivision 1; 626.553; 626.846, by adding a subdivision; Chapters 16A, by adding a section and 624, by adding a section; Laws 1971, Chapter 121, Section 2, as amended; and Laws 1976, Chapter 260, Section 3; repealing Minnesota Statutes 1976, Sections 4.19; 15.61, Subdivision 3; 16.025, Subdivision 2; 16.173; 16A.095, Subdivision 1; 16A.12; 138.025, Subdivision 9; and 299D.03, Subdivision 4."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Hubert H. Humphrey III, Winston W. Borden, Gerald L. Willet, Sam G. Solon and Robert G. Dunn.

House Conferees: (Signed) Neil S. Haugerud, Phyllis L. Kahn, Gary W. Laidig, Dwayne A. King and Gordon O. Voss.

Mr. Humphrey moved that the foregoing recommendations and Conference Committee Report on S. F. No. 1467 be now adopted, and that the bill be repassed as amended by the Conference Com-

mittee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

S. F. No. 1467: A bill for an act relating to the organization and operation of state government; appropriating money for the general administrative and judicial expenses of state government and limiting the use thereof; providing for the transfer of certain moneys in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; amending Minnesota Statutes 1976, Sections 10.30; 16A.095, Subdivision 2; 16A.10, Subdivisions 1 and 2; 16A.11, Subdivisions 2 and 3; 43.09, Subdivision 2; 43.31; 98.46, by adding a subdivision; 168.33, Subdivisions 2 and 7; 176.602; 183.545, Subdivisions 1, 3 and 4; 183.57, Subdivision 2; 186.04; 260.311, Subdivision 2; 268.06, Subdivision 25; 296.06, Subdivision 2; 296.12, Subdivision 1; 326.241, Subdivision 3; 362.125; 363.14, by adding a subdivision; 462.389, Subdivision 4; Chapter 16A, by adding a section; Laws 1971, Chapter 121, Section 2, as amended; and Laws 1976, Chapter 260, Section 3; repealing Minnesota Statutes 1976, Sections 15.61, Subdivision 3; 16.173; 16A.095, Subdivision 1; 16A.12 and 176.603.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 57 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Perpich	Spear
Ashbach	Gearty	Lessard	Peterson	Staples
Bang	Gunderson	Luther	Pillsbury	Stokowski
Benedict	Hanson	McCutcheon	Purfeerst	Strand
Bernhagen	Hughes	Menning	Renneke	Stumpf
Borden	Humphrey	Merriam	Schaaf	Tennessee
Brataas	Jensen	Moa	Schmitz	Ulland, J.
Coleman	Johnson	Nelson	Schrom	Wegener
Davies	Keefe, J.	Ogdahl	Setzepfandt	Willet
Dieterich	Kirchner	Olhoft	Sikorski	
Dunn	Kleinbaum	Olson	Sillers	
Engler	Knoll	Penny	Solon	

Mr. Sieloff voted in the negative.

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Messages From the House.

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

House File No. 1610 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 1610: A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and for other purposes; amending Minnesota Statutes 1976, Sections 161.125, Subdivision 1; 219.40; and 299D.03, Subdivision 5; repealing Minnesota Statutes 1976, Sections 161.125, Subdivision 2; 161.50; 219.401; and 299D.03, Subdivision 4.

House File No. 1610 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1610

A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and for other purposes; amending Minnesota Statutes 1976, Sections 161.125, Subdivision 1; 219.40; and 299D.03, Subdivision 5; repealing Minnesota Statutes 1976, Sections 161.125, Subdivision 2; 161.50; 219.401; and 299D.03, Subdivision 4.

May 20, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1610, report that we have agreed upon the items in dispute and recommend as follows:

That H. F. No. 1610 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. [TRANSPORTATION; APPROPRIATIONS.] The sums set forth in the columns designated "APPROPRIATIONS" are appropriated from the trunk highway fund, or any other fund designated, to the commissioner of transportation for the purposes specified in the following sections of this act, to be available for the fiscal years indicated for each purpose. The figures "1977", "1978", and "1979", wherever used in this act, mean that the appropriation or appropriations listed thereunder are available for the year ending June 30, 1977, June 30, 1978, or June 30, 1979, respectively.

APPROPRIATIONS

Available for the year

Ending June 30,

1978

1979

\$

\$

Sec. 2. PERSONNEL POLICY

The commissioner of transportation shall control employment of full-time employees to not exceed 4,871 during fiscal 1978 and 4,837 during fiscal 1979. None of the restrictions in this section apply to seasonal or temporary employment.

The commissioner of transportation shall continue productivity improvement efforts to reduce the number of full-time employees.

The commissioner of transportation shall set position levels for each organizational unit of the department as the work program requires, identify surplus positions, and schedule personnel reductions, first making use of reductions through normal attrition and transfers to other departments.

Sec. 3. HIGHWAYS

Subdivision 1. Planning and Programming

3,253,444

3,297,332

Subd. 2. Highway Development

156,610,945

156,610,945

This appropriation is for the actual construction, reconstruction, and improvement of trunk highways. This includes the cost of actual payment to land owners for lands acquired for highway right of way, payment to lessees, interest subsidies, and relocation expenses.

Subd. 3. Highway Safety Devices, per Section 219.40

600,000

600,000

Subd. 4. Highway Development Support

46,676,695

46,766,149

Design of bridges not funded by the bridge bonding program which have an estimated project cost of less than \$200,000 shall be performed in house

	1978	1979
	\$	\$
by the transportation department. The maximum use of standardized bridges is encouraged.		
Subd. 5. Research and Standards	1,053,373	1,067,876
Subd. 6. Highway Maintenance		
(a) Maintenance Operations	68,029,518	69,687,845
Preventive maintenance of the trunk highway system shall be continued at a level at least equal to that currently provided.		
(b) Equipment	7,662,343	5,587,120
Of the amount appropriated in the first year \$400,000 is appropriated from the state airports fund.		
Subd. 7. Aids and Assistance to Local Governments		
(a) State Aid Administration	313,313	318,602
(b) County State Aid Distribution	80,839,800	81,130,800
This appropriation is from the county state-aid highway fund.		
(c) Municipal State Aid Distribution	25,002,000	25,092,000
This appropriation is from the municipal state-aid street fund.		
If an appropriation in either (b) or (c) is insufficient to exhaust the balance in the fund from which it is made in the year for which it is made, the commissioner of finance, upon request of the commissioner of transportation, shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the remainder and shall then add that amount to the appropriation. The amount added is appropriated for the purposes of clause (b) or (c), as appropriate.		
Subd. 8. General Administrative Support		
(a) Administrative Support	6,036,211	6,101,002
(b) Program Management	642,855	652,292

	1978	1979
	\$	\$
(c) Legal Services	555,450	564,192

This appropriation is for the purchase of legal services from or through the attorney general.

Subd. 9. Bicycle Trail Program

(a) Development and Grants	445,000	445,000
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This appropriation is for the development of bicycle trails primarily on existing road rights of way, as provided in the outdoor recreation bonding act of 1977. This appropriation is from the general fund.

(b) Administration	55,000	55,000
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(c) The unexpended balance of the appropriation made by Laws 1976, Chapter 199, Section 18, Subdivision 3 is reappropriated to the department of transportation for the biennium ending June 30, 1979.

Subd. 10. Principal and Interest on Highway Debt

	13,104,550	11,607,450
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Principal, interest and debt service costs on state trunk highway fund debt shall be paid from this appropriation rather than from a statutory appropriation for the same purpose. If this appropriation is insufficient to pay all principal and interest coming due in the year for which it is made, the commissioner of finance shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the deficiency and shall then pay that amount pursuant to the statutory appropriation.

Subd. 11. Sound Enforcement Study

	33,000	— 0 —
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This appropriation is to the commissioner of public safety for the sound enforcement study required by this act.

Sec. 4. AERONAUTICS

Subdivision 1. Airport Development and Assistance

	1978	1979
	\$	\$
(a) Construction Grants	6,674,923	6,074,923
(b) Maintenance Grants	1,001,407	1,001,407

If the appropriation in (a) and (b) above for either year is insufficient, the appropriation for the other year is available for it.

Reimbursements from municipalities for striping runways shall be deposited in the state airport fund.

(c) Navigational Aids	595,149	595,149
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The appropriations in (a), (b), and (c) are from the state airports fund and shall be expended only for grant-in-aid programs for airports that are not state owned. These appropriations are to be expended in accordance with Minnesota Statutes, Section 360.305, Subdivision 4, Clauses (1), (2), (4) and (5).

The commissioner of transportation may transfer unencumbered balances among the appropriations in (a), (b), and (c) with the approval of the governor after consultation with the legislative advisory commission.

(c) Construction and Maintenance Support	402,598	405,362
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Notwithstanding the provisions of Minnesota Statutes, Section 360.021, Subdivision 1, or any other law to the contrary, the commissioner of transportation shall acquire no additional state airports, nor shall he establish any additional state-owned airports during the biennium ending June 30, 1979.

No money shall be expended by the commissioner of transportation under the appropriations made in this subdivision, or any other law, for land acquisition, or for the construction, improvement, maintenance of airports, except for maintenance of the state owned airport at Pine Creek, or for air navigation facilities for an airport, un-

1978

1979

\$

\$

less the governmental unit involved has or is establishing a zoning authority for that airport, and the authority has made a good faith showing that it is in the process of and will complete with due diligence, an airport zoning ordinance in accordance with Minnesota Statutes, Sections 360.061 to 360.074.

The commissioner of transportation shall make maximum use of zoning and easements to eliminate runway and other potential airport hazards rather than land acquisition in fee.

Subd. 2. Safety Education and Aviation Regulation

(a) Safety Education	53,360	53,692
(b) Aviation Regulation	354,134	231,390
Subd. 3. Administrative Support	248,545	254,197

For 1977 — \$34,233

The appropriation for 1977 is from the state airports fund; \$15,000 is for operation of aircraft and relocation costs and \$19,233 is for transfer to the general fund in reimbursement for the cost of a legislative audit.

Subd. 4. Start up costs, air transportation revolving account

50,000

The commissioner of transportation is authorized to establish an air transportation revolving account within the trunk highway fund. The commissioner shall charge users of any air transportation services provided by the department for all direct and indirect operating costs, excluding salaries and initial cost of acquisition of aircraft. All receipts for these services shall be deposited in the air transportation revolving account and are appropriated to the commissioner to pay all direct and indirect air service operating expenses, excluding salaries.

This appropriation is to the commissioner from the state airports fund for

1978

1979

\$

\$

initial air service operating capital, to be deposited in the air transportation revolving account.

This account is available until June 30, 1979 and shall not be used for purchase of aircraft.

Subd. 5. Principal and Interest on Aeronautics Debt.

477,610

476,010

This appropriation is from the state airports fund.

Principal, interest, and debt service costs on state aeronautics fund debt shall be paid from this appropriation rather than from a statutory appropriation for the same purpose. If this appropriation is insufficient to pay all principal and interest coming due in the year in which it is made, the commissioner of finance shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the deficiency and shall then pay that amount pursuant to the statutory appropriation.

Sec. 5. TRANSIT AND RAIL SERVICE IMPROVEMENT

Subdivision 1. Transit Improvement

(a) Planning and Programming

221,560

229,141

This appropriation is for carrying out the department's transit responsibilities under this act.

(b) Public Transit Assistance and Transportation Management Grants and Expenses

38,400,000

Of the appropriation in (b), \$38,150,000 is from the general fund, and \$250,000, representing costs of public transit research and departmental administration, is from the trunk highway fund.

Any unencumbered balance remaining in the first year shall not cancel but is

1978

1979

\$

\$

available for the second year of the biennium.

Of this appropriation, \$9,600,000 is for public transit subsidy program grants pursuant to section 21 of which \$3,300,000 is available for payment pursuant to contracts with the Twin Cities area metropolitan transit commission for the period from July 1, 1977 to December 31, 1977; \$900,000, is available for payment pursuant to contracts with the Twin Cities metropolitan transit commission after December 31, 1977 for planning and general administration only; and \$4,000,000 is available for payment to eligible recipients outside the metropolitan area; \$900,000 is available for payment to private operators within the metropolitan area; and \$500,000 is available for ongoing paratransit services in the metropolitan area.

\$13,700,000 is for performance funding payments by the commissioner under contracts made pursuant to sections 21 and 46.

\$8,400,000 is for social fare reimbursement grants pursuant to section 21.

\$1,200,000 is for special services for the handicapped grants, for payment by the commissioner to the Twin Cities metropolitan transit commission pursuant to section 21.

\$4,500,000 is for paratransit service demonstration grant programs, for payment by the commissioner under contracts made pursuant to section 22, provided that no more than \$1,000,000 is available for payment to the Twin Cities metropolitan transit commission. This amount is available until expended.

\$750,000 is for regular route transit demonstration program grants, for payment by the commissioner under contracts made pursuant to section 23.

1978

1979

\$

\$

This amount is available until expended. The unencumbered balance of the appropriation made by Laws 1975, Chapter 203, Section 11, Subdivision 2, shall not cancel but is available for the biennium ending June 30, 1979.

\$100,000 is for public transit research and technical and professional assistance pursuant to section 20, subdivisions 3 to 5. From this amount and the appropriation in (a) the commissioner may establish unclassified positions which are in addition to the approved complement of the department of transportation.

\$150,000 is for costs of administration of the programs described in sections 18 to 24 and section 46.

The commissioner of transportation may transfer appropriations among the appropriations in (b), except the appropriations for special services for the handicapped, public transit research, and department of transportation administrative costs, with the approval of the governor after consultation with the legislative advisory commission.

Subd. 2. Rail Service Improvement

(a) Planning and Programming	198,593	199,589
(b) Rail Service Improvement Grants	3,000,000	

The appropriation in (b) is from the general fund to the rail service improvement account.

(c) Rail Passenger Service Grant	650,000	
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(d) The sum of \$650,000 is appropriated to a special contingent account for the second year of the biennium, for the purposes of subdivision 2, clause (c). This money is not available for expenditure until authorized by the governor, in accordance with the provisions of Minnesota Statutes, Section 3.30.

	1978	1979
	\$	\$

The commissioner of transportation shall report to the legislature by January 1, 1978 on the expenditure of money from the appropriation in (c) above, showing the terms of the contract, the number of riders each month during fiscal years 1976, 1977, and the first quarter of fiscal year 1978, the amount of federal subsidy, the amount of state subsidy, and the amount of each subsidy per passenger. In addition, the commissioner shall include a detailed accounting of expenditures under the contract during fiscal years 1976, 1977, and the first quarter of fiscal year 1978 by line item object of expenditure, such as personnel costs, equipment, maintenance, and overhead.

The appropriations in (c) and (d) are from the general fund.

Sec. 6. TRANSPORTATION REGULATION

Subdivision 1. Common Carrier

Rate Regulation	77,360	78,696
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Subd. 2. Common Carrier

Route and Schedule Approval	423,363	399,321
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Subd. 3. Rail Crossing and

Safety Standards	45,973	46,685
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Sec. 7. TRANSFERS

The commissioner of transportation with the approval of the commissioner of finance may transfer unencumbered balances among the appropriations from the trunk highway fund made in this act and may change the composition of budgetary programs and activities in order to be consistent with the functional organization of the new department.

No transfer shall be made from the appropriation for highway development in section 3, subdivision 2, except to the appropriation for highway maintenance in section 3, subdivision 6,

1978

1979

nor shall any transfer be made from highway maintenance, except with the approval of the governor after consultation with the legislative advisory commission. No transfer shall be made from the appropriation for debt service in section 3, subdivision 10, to any other appropriation.

Transfers shall be reported forthwith to the committee on finance of the senate and the committee on appropriations of the house of representatives. The commissioner of transportation shall keep records and report to the legislature by January 1, 1979, on the relationship between the appropriations made by this act and the purposes for which the money is expended and encumbered.

Sec. 8. CONTINGENT APPROPRIATION

The commissioner of transportation, with the approval of the governor after consultation with the legislative advisory commission, may transfer all or part of the unappropriated balance in the trunk highway fund to the appropriation for highway development or for highway maintenance in order to meet an emergency or to take advantage of an unanticipated receipt of income to the trunk highway fund. The amount transferred is appropriated for the purpose of the account to which it is transferred.

Sec. 9. REIMBURSEMENT

Subdivision 1. The sums of \$1,058,637 for the first year and \$944,641 for the second year are appropriated from the state airports fund for transfer by the commissioner of finance to the trunk highway fund on January 1, 1978 and January 1, 1979, respectively, in order to reimburse the trunk highway fund for expenses not related to trunk highways.

These represent amounts appropriated out of the trunk highway fund for

1978

1979

\$

\$

aeronautics purposes as follows: section 4, subdivision 1, clause (d), and subdivisions 2 and 3.

Subd. 2. The sums of \$1,271,849 for the first year and \$1,008,432 for the second year are appropriated from the general fund for transfer by the commissioner of finance to the trunk highway fund on January 1, 1978 and January 1, 1979, respectively, in order to reimburse the trunk highway fund for expenses not related to trunk highways.

These represent amounts appropriated out of the trunk highway fund for general fund purposes as follows: section 3, subdivision 9, clause (b); section 5, subdivision 1, clause (a) and the administrative portion of clause (b), and subdivision 2, clause (a); and section 6.

Sec. 10. [COMPUTER SYSTEM DEVELOPMENT.] *In all cases where an appropriation made in this act includes money for computer system development, development shall not proceed beyond PRIDE phase I until the project has been reviewed and approved by the commissioners of administration and finance. All approved projects shall be reported to the chairmen of the house appropriations committee and senate finance committee to receive their recommendation on the project. A recommendation is advisory only. In the case of rejected projects, the commissioner of finance shall cancel the unencumbered balance of the appropriation allotted for development of the project.*

Sec. 11. Minnesota Statutes 1976, Section 16.72, Subdivision 5, is amended to read:

Subd. 5. [MONEYS COLLECTED.] All moneys collected by the commissioner of administration as rents, charges, or fees in connection with and for the use of any parking lot or facility are appropriated to the commissioner of administration for the purpose of operating, maintaining, and improving parking lots or facilities owned or operated by the state of Minnesota and to carry out the purposes of this section, *except as provided in section 12.*

Sec. 12. Minnesota Statutes 1976, Section 16.72, is amended by adding a subdivision to read:

Subd. 8. *The commissioner of administration shall impose a surcharge of 25 percent for vehicles occupied by only one person parking in a state parking facility in the capitol area, as described by*

section 15.50, subdivision 2. The revenue from this additional charge shall be placed by the commissioner in a special account. For the benefit of employees employed in the capitol area, the money in the account shall be used by the commissioner to acquire or lease commuter vans pursuant to section 16.756 and, within such limits and upon such conditions as the commissioner determines to be necessary, to reimburse state departments or agencies for costs resulting from agreements with the metropolitan transit commission or other operators pursuant to section 37. The commissioner may adopt rules necessary to administer the provisions of sections 11, 12 and 37.

Sec. 13. Minnesota Statutes 1976, Section 161.125, Subdivision 1, is amended to read:

161.125 [SOUND ABATEMENT ALONG HIGHWAYS.] Subdivision 1. The commissioner of transportation shall ~~cause to be constructed and maintained adequate and effective acoustical barriers or implement other~~, in accordance with the department's program, implement sound abatement programs in measures within or along the perimeter of any interstate or trunk highway within incorporated areas located within the metropolitan area or in any municipality whenever the noise level attributable to vehicular traffic at the abutting residential property line is in excess of the federal noise standards. The commissioner shall utilize available federal matching funds in constructing and maintaining the acoustical barriers.

Sec. 14. Minnesota Statutes 1976, Section 161.125, is amended by adding a subdivision to read:

Subd. 3. [SOUND ABATEMENT MEASURES.] For the purpose of this section, sound abatement measures include but are not limited to the following:

(a) traffic management measures, including reduced speed limits or exclusion and rerouting of excessively noisy vehicles;

(b) design and construction measures, including use of sound absorbing road surface materials, landscaping and planning, acquisition of buffer zones or noise insulation of buildings on abutting property;

(c) enforcement of the motor vehicle source noise limits of the pollution control agency and of the federal bureau of motor carrier safety; and

(d) other measures designed for the purpose of reducing motor vehicle source noise or reducing the effects of that noise. The commissioner of public safety shall cooperate with the commissioner of transportation in implementing any sound abatement measures that include law enforcement activities.

Sec. 15. [SOUND ENFORCEMENT STUDY; REPORT.] The commissioner of public safety in cooperation with the pollution control agency and the commissioner of transportation, after appropriate research and testing shall, if possible, acquire a directional noise monitoring device that is effective in measuring the noise level of individual motor vehicles and can be operated from a stationary

or moving patrol car by a single law enforcement officer for the purpose of enforcing motor vehicle source noise standards. The commissioner of public safety and the commissioner of transportation shall jointly submit a report of the findings of this research and testing to the legislature no later than December 31, 1977. This report shall include:

(a) an analysis of alternative types of noise monitoring devices and a description of the cost and capabilities of each type; and

(b) an analysis and estimate of the number and the cost of additional state patrol officers, or other enforcement officers, noise monitoring devices and other facilities necessary to achieve effective enforcement of state motor vehicle source noise limits within incorporated areas on interstate highways and on other trunk highways in the state.

Sec. 16. [COMPLETION OF ACOUSTICAL BARRIERS.] *Notwithstanding any other provisions of this act, the commissioner of transportation may complete the construction of any acoustical barrier authorized by law prior to the effective date of this act for which construction began or a contract was let or federal design approval or a resolution of a city council requesting construction was received on or before June 30, 1977, and for that purpose may expend money authorized for expenditure for sound abatement measures.*

Sec. 17. Minnesota Statutes 1976, Section 169.86, is amended by adding a subdivision to read:

Subd. 6. [ARTICULATED BUSES.] Articulated buses operated by public transit operators may exceed the length and weight limitations of this chapter, subject only to an annual permit from the commissioner for such operation, and shall not be subject to any city ordinance or to any permit from any local road authority. The application for a permit shall contain such information as may be required by the commissioner.

Sec. 18. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.21] [PUBLIC TRANSIT ASSISTANCE AND TRANSPORTATION MANAGEMENT; PURPOSE.] *It is the purpose of sections 18 to 24 to increase vehicle occupancy, to reduce the use of vehicles occupied by only one person and the congestion, pollution, energy consumption, highway damage, and other costs associated with such use and to increase the efficiency and productivity of and benefit from public investments in road space and transportation and transit facilities and systems in the state.*

Sec. 19. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.22] [DEFINITIONS.] *Subdivision 1. For the purposes of sections 18 to 24 the following terms have the meaning given them.*

Subd. 2. "Commuter van" has the meaning given it in section 221.011, subdivision 22, clause (1).

Subd. 3. "Metropolitan council" means the council established by section 473.123.

Subd. 4. "Metropolitan transit commission" means the commission established by section 473.404.

Subd. 5. "Operating deficit" means the amount by which the total prudent operating expenses incurred in the operation of the public transit system exceeds the amount of operating revenue derived therefrom and the amount of any social fare reimbursement pursuant to section 21, subdivision 4.

Subd. 6. "Paratransit" means the transportation of passengers by motor vehicle or other means of conveyance by persons operating on a regular and continuing basis and the transportation or delivery of packages in conjunction with an operation having the transportation of passengers as its primary and predominant purpose and activity, but excluding regular route transit. "Paratransit" includes transportation by car pool and commuter van, point deviation and route deviation services, shared-ride taxi service, dial-a-ride service, and other similar services.

Subd. 7. "Public transit" or "transit" means general or specific transportation service provided to the public on a regular and continuing basis. "Public transit" or "transit" includes paratransit and regular route transit.

Subd. 8. "Regular route transit" means transportation of passengers for hire by a motor vehicle or other means of conveyance by any person operating on a regular and continuing basis as a common carrier on fixed routes and schedules. "Regular route transit" does not include transportation of children to or from school or of passengers between a common carrier terminal station and a hotel or motel, transportation by common carrier railroad or common carrier railroads or by taxi, transportation furnished by a person solely for his or its employees or customers, or paratransit.

Sec. 20. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.23] [GENERAL POWERS AND DUTIES.] Subdivision 1. [GENERAL.] The commissioner shall have all powers necessary and convenient to carry out the provisions of sections 18 to 24 including the power to: (a) review applications for financial assistance, execute contracts, and obligate and expend program funds, upon conditions and limitations as the commissioner deems necessary for purposes of program and project implementation, operation, and evaluation, (b) accept and disburse federal funds available for the purposes of sections 18 to 24, and (c) act upon request as the designated agent of any eligible person for the receipt and disbursal of federal funds. The commissioner shall perform the duties and exercise the powers under sections 18 to 24 in coordination with and in furtherance of statewide, regional, and local transportation plans and transportation development programs.

Subd. 2. [FINANCIAL ASSISTANCE.] The commissioner shall seek out and select eligible recipients of financial assistance under sections 18 to 24. The commissioner shall establish by rule the procedures and standards for review and approval of applications for financial assistance submitted to the commissioner pursuant to sections 18 to 24. Any applicant shall provide to the commissioner any financial or other information required by the commissioner to carry out his duties. The commissioner may require local contributions from applicants as a condition for receiving financial assistance. The commissioner shall not approve any grant unless: (1) the application for the grant has been reviewed and approved by the appropriate regional development commission or the metropolitan council only for consistency with regional transportation plans and development guides; and (2) in the case of a project to be operated in the metropolitan area, the application has been reviewed by the metropolitan transit commission for consistency with its transportation development program. Any regional development commission that has not adopted a transportation plan may review but may not approve or disapprove of any application.

Subd. 3. [TECHNICAL AND PROFESSIONAL ASSISTANCE.] The commissioner shall offer, use, and apply the information developed pursuant to sections 18 to 24 to assist and advise political subdivisions and recipients of financial assistance in the planning, promotion, development, operation, and evaluation of programs and projects to accomplish the purposes of sections 18 to 24. The commissioner shall seek out and select eligible recipients of such technical and professional assistance.

Subd. 4. [RESEARCH; EVALUATION.] The commissioner shall conduct research and shall study, analyze, and evaluate concepts, techniques, programs, and projects to accomplish the purposes of sections 18 to 24, including traffic operations improvements, preferential treatment and other encouragement of transit and paratransit services and high-occupancy vehicles, improvements in the management and operation of regular route transit services, special provision for pedestrians and bicycles, management and control of parking, changes in work schedules, and reduction of vehicle use in congested and residential areas. The commissioner shall examine and evaluate such concepts, techniques, programs, and projects now or previously employed or proposed in this state and elsewhere. The commissioner or an independent third party under contract to the commissioner shall monitor and evaluate the management and operation of public transit systems, services, and projects receiving financial or professional and technical assistance under sections 18 to 24 or other state programs to determine the manner in which and the extent to which such systems, services, and projects contribute or may contribute to the purposes of sections 18 to 24. The commissioner shall develop and promote proposals and projects to accomplish the purposes of sections 18 to 24 and shall actively solicit such proposals from municipalities, counties, legislatively established transit commissions and authorities, regional development commissions, the metropolitan council, and potential vendors. In conducting such

activities the commissioner shall make the greatest possible use of already available research and information. The commissioner shall use the information developed under sections 18 to 24 in developing or revising the state transportation plan.

Subd. 5. [REPORTS.] By November 1, 1977, and thereafter in odd-numbered years the commissioner shall report to the appropriate committees of the legislature describing the intended activities under sections 18 to 24 for the biennium. By November 15, 1978, and thereafter in even-numbered years the commissioner shall report to the legislature on progress in achieving the purposes of sections 18 to 24. The report shall include a summary and evaluation of the results of the programs and the financial, technical, and professional assistance provided under sections 18 to 24; a description of the efforts of the commissioner to propose, advocate, and promote projects to accomplish the purposes of sections 18 to 24; an analysis of the role of private providers in the delivery of public transit services and recommendations for funding private and public providers and for coordinating the delivery of transit services by private and public providers; and the commissioner's findings, conclusions, and recommendations respecting the manner in which and the extent to which the programs, projects, and research under sections 18 to 24 contribute or may contribute to the purposes of sections 18 to 24.

Sec. 21: Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.24] [PUBLIC TRANSIT SUBSIDY PROGRAM.] Subdivision 1. [ESTABLISHMENT; PURPOSE.] A public transit subsidy program is established to provide financial assistance from the state to eligible recipients. The purpose of the public transit subsidy program shall be to supplement local effort in financing public transit systems in order to preserve and develop public transit and a balanced transportation system in the state.

Subd. 2. [ELIGIBILITY; APPLICATIONS.] Any legislatively established public transit commission or authority, any county or statutory or home rule charter city providing financial assistance to or operating public transit, any private operator of regular route transit, or any combination thereof is eligible to receive financial assistance through the public transit subsidy program.

Subd. 3. [FINANCIAL ASSISTANCE.] Payment of financial assistance shall be by contract between the commissioner and an eligible recipient. The commissioner shall determine the operating deficit of any public transit system receiving or applying for assistance in accordance with generally accepted accounting principles, provided that any financial assistance received from any agency of the federal government for the operation of a public transit system shall be treated as revenue for the purposes of determining the operating deficit. Where more than one county or municipality contributes assistance to the operation of a public transit system the commissioner shall identify one as lead agency for the purpose of receiving moneys under this section. Payments shall not exceed two-thirds of the operating deficit of a public

transit system, except that payments to eligible recipients who are private operators in the transit taxing district defined in section 473.446, subdivision 2, may be up to 100 percent of the operating deficit. Payments to the metropolitan transit commission shall be based upon a performance funding system established by the commissioner or otherwise provided by law.

Subd. 4. [SOCIAL FARE REIMBURSEMENT.] The commissioner shall reimburse the metropolitan transit commission and any private operators in the transit taxing district defined in section 473.446, subdivision 2 for the difference between the full fare otherwise charged by the commission or private operator and the fare actually charged for any regular route transit service passenger pursuant to the social fare provisions of section 36, subdivision 3. Reimbursement shall be paid monthly upon a report by the commission or private operator of the number of reduced fare passengers carried for the preceding calendar month in each reduced fare category and the total amount that otherwise would have been charged for the service by the commission or private operator on a full fare basis.

Sec. 22. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.25] [PARATRANSIT SERVICE DEMONSTRATION GRANT PROGRAM.] *Subdivision 1. [PURPOSE.] A paratransit service demonstration grant program is established to plan, promote, demonstrate, and evaluate the effectiveness, cost, and efficiency of paratransit as a means of accomplishing the following objectives:*

(a) to provide transportation services in those areas inefficiently or inadequately served by regular route transit;

(b) to provide transportation services which improve the accessibility and productivity of regular route transit;

(c) to provide transportation services for persons who because of age or incapacity are unable to drive a private automobile or use existing modes of public transit.

Subd. 2. [ELIGIBILITY; APPLICATIONS.] Any public or private agency, entity, or person is eligible to receive financial assistance through the paratransit service demonstration program. Applications for grants shall be approved or denied by the commissioner within 120 days of receipt.

Sec. 23. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.26] [REGULAR ROUTE TRANSIT DEMONSTRATION GRANT PROGRAM.] *Subdivision 1. [PURPOSE.] A regular route transit demonstration program is established to demonstrate new regular route transit services and to improve the patronage and productivity of existing regular route transit services.*

Subd. 2. [ELIGIBILITY.] Any eligible applicant under section

21, subdivision 2, operating, intending to operate, or assisting in the operation of regular route transit service is eligible to receive financial assistance through the regular route transit demonstration program.

Sec. 24. Minnesota Statutes 1976, Chapter 174, is amended by adding a section to read:

[174.27] [PUBLIC EMPLOYER COMMUTER VAN PROGRAMS.] Any statutory or home rule charter city, county, school district, independent board or agency may acquire or lease commuter vans, enter into contracts with another public or private employer to acquire or lease such vans, or purchase such a service for the use of its employees. The governing body of any such city, county, or school district may by resolution establish a commuter van revolving fund to be used to acquire or lease commuter vans for the use of its employees. Any payments out of the fund shall be repaid to the fund out of revenues derived from the use by the employees of the city, county, or school district, of the vans so purchased or leased. For the purpose of establishing the fund any city, county, or school district is authorized to make a one time levy not to exceed one tenth of a mill in excess of all taxing limitations, without affecting the amount or rate of taxes which may be levied by the city, county, or school district for other purposes or by any local governments in the area. Any city, county, or school district which establishes a commuter van acquisition program or contracts for this service is authorized to levy a tax not to exceed 1/100 mill for the purpose of paying the administrative and promotional costs of the program which levy shall be in excess of all taxing limitations, without affecting the amount or rate of taxes which may be levied by the city, county, or school district for other purposes or by a local government in the area. The governing body of any city, county, or school district may by resolution terminate the commuter van revolving fund and use the funds for other purposes authorized by law.

Sec. 25. [EMERGENCY RULES.] The commissioner of transportation may exercise emergency rulemaking authority as provided in section 15.0412, subdivision 5, to implement the provisions of sections 18 to 24. The commissioner shall solicit information and opinions from outside the department as provided in section 15.0412, subdivision 6, prior to adopting these rules. Notwithstanding the provisions of section 15.0412, subdivision 5, any rules adopted under this section shall be effective until permanent rules are adopted pursuant to chapter 15 or until July 1, 1978, whichever occurs first. This section shall expire on July 1, 1978.

Sec. 26. Minnesota Statutes 1976, Section 174.50, Subdivision 7, is amended to read:

Subd. 7. The commissioner of transportation shall develop rules, standards and criteria, including bridge specifications, in cooperation with road authorities of political subdivisions, for use in the administration of funds appropriated to the commissioner and for the administration of grants to subdivisions. Designs of bridges under the trunk highway system, which have an estimated project

cost of less than \$200,000, shall be performed inhouse by the transportation department. The maximum use of standardized bridges is encouraged. Funds appropriated 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.

Sec. 27. Minnesota Statutes 1976, Section 219.40, is amended to read:

219.40. [DETERMINATION; ORDER; FLAGMEN OR SAFETY DEVICE.] If a complaint is made under section 219.39, the commissioner shall determine whether the crossing is dangerous and may with or without a hearing require the railroad company complained of to provide flagmen at such crossing, or to adopt such safety devices as the commissioner may deem necessary for the proper protection of the crossing, or may require the removal of any structure, embankment or other obstruction to the view, or 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 transportation department interested, on such terms and conditions as 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 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 commissioner. If the complainant or the railroad files exceptions to an order of the commissioner made under this section without a hearing, the commissioner shall convene a hearing on the original complaint. If the 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 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, 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 commissioner or his designee on the basis of benefit to the users of each; or the 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 transportation. In all

other cases the public's share of the costs shall be paid from available funds or from the *Minnesota trunk highway safety account fund*, if ordered by the 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. 28. Minnesota Statutes 1976, Section 299D.03, Subdivision 5, is amended to read:

Subd. 5. [FINES AND FORFEITED BAIL MONEY.] All fines and forfeited bail money, from traffic and motor vehicle law violations, collected from persons apprehended or arrested by such employees, shall be paid by the justice of the peace, or such other person or officer collecting such fines, forfeited bail money or installments thereof, on or before the tenth day after the last day of the month in which such moneys were collected, to the county treasurer of the county where the violation occurred. Three-eighths of such receipts shall be credited to the general revenue fund of the county. The other five-eighths of such receipts shall be transmitted by that officer to the state treasurer and shall be credited to a ~~separate account~~ *the trunk highway fund*. If, however, the violation occurs within a municipality and the city attorney prosecutes the offense, and a plea of not guilty is entered, one-third of the receipts shall be credited to the general revenue fund of the county, one-third of the receipts shall be paid to the municipality prosecuting the offense, and one-third shall be transmitted to the state treasurer as provided in this subdivision. All costs of participation in a nation-wide police communication system chargeable to the state of Minnesota shall ~~next~~ be paid from ~~such account~~ *appropriations for that purpose*. ~~Thereafter commencing July 1, 1973, the sum of \$50,000 shall be credited on the first day of each month from such account to the Minnesota highway safety account, which sum shall be disbursed only as provided for in sections 210.40 and 210.401. Thereafter on the first day of each calendar month the money remaining in such account, not needed for the purposes specified in this subdivision, shall be credited to the trunk highway fund.~~

Sec. 29. Minnesota Statutes 1976, Section 473.121, Subdivision 18, is amended to read:

Subd. 18. "Operator" means any person engaged or seeking to engage in the business of providing public transit, but does not include persons engaged primarily in the transportation of children to or from school, in operating taxicabs, in operating buses, limousines, or other means for the transportation of passengers between a common carrier terminal station and a hotel or motel, in operating a common carrier railroad or common carrier railroads, or a person furnishing transportation solely for his or its employees or customers.

Sec. 30. Minnesota Statutes 1976, Section 473.121, is amended by adding a subdivision to read:

Subd. 18a. "Paratransit" has the meaning given in section 19, subdivision 6.

Sec. 31. Minnesota Statutes 1976, Section 473.121, Subdivision 19, is amended to read:

Subd. 19. "Public transit" or "transit" means transportation of passengers for hire *within the transit area* by means, ~~without limitation, of a street railway, elevated railway, subway, underground railroad, motor vehicles, buses vehicle~~ or other means of conveyance by any person operating as a common carrier on a regular route or fixed routes, or any combination thereof; ~~provided, however, that and schedules.~~ "Public transit" shall not include transportation of children to or from school or of passengers between a common carrier terminal station and a hotel or motel, transportation by a common carrier railroad or common carrier railroads or by taxi, transportation furnished by a person solely for his or its employees or customers, or paratransit.

Sec. 32. Minnesota Statutes 1976, Section 473.121, Subdivision 20, is amended to read:

Subd. 20. "Public transit system" or "transit system" means, without limitation, a combination of property, structures, improvements, equipment, plants, parking or other facilities, and rights, or any thereof, used or useful for the purposes of public transit.

Sec. 33. Minnesota Statutes 1976, Section 473.402, is amended to read:

473.402 [LEGISLATIVE DETERMINATION, POLICY, PURPOSE AND GOALS.] *Subdivision 1.* The legislature finds and determines that nearly half the people of the state live in the metropolitan transit area hereinafter established. The population of that area is growing faster than in any other area of the state, and it is continually visited by large numbers of people from other parts of the state, resulting in a heavy and steadily increasing concentration of resident and transient population and creating serious problems of public transit and public highway traffic in the area. The present public transit systems in the area consist largely of bus lines using the public highways and streets. These systems are inadequate to meet the needs for public transit in the area. A major part of the transportation of people in the area is provided by private motor vehicles. All of the foregoing adds heavily to the traffic load on the state highways which constitute the main routes of travel to, from, and through the area, aggravating the congestion and danger of accidents thereon, polluting the surrounding air, intensifying the wear and tear on those highways and streets, increasing the cost of maintenance thereof, and the number, size, and cost of new highways that must be constructed in the area. These effects will progressively grow worse as the population of the area increases; imposing serious handicaps on the business, industry, property, development, recreation, and other beneficial activities of the residents of the area and visitors thereto; and causing severe and widespread harm to

the public health, safety and welfare of the area and the entire state. It is beyond the capacity of the present operators of public transit systems and other existing public and private agencies unassisted to make adequate provision for public transit in the area or for dealing effectively with the aforesaid problems and conditions therein. The legislature therefore declares as the public policy of the state that, for the protection and advancement of the public health, safety, and welfare of the metropolitan transit area and the entire state, and in order to provide for adequate public transit and paratransit within the area; reduce the traffic congestion and hazards on the state and other highways and streets therein; and relieve the other harmful conditions aforesaid to increase vehicle occupancy, and to reduce the use of vehicles occupied by only one person and the congestion, energy consumption, highway damage, pollution, waste, and other costs associated with such use, there is urgent need for the establishment of that the transit area as herein defined, for the creation of a metropolitan transit commission therefor with the powers and duties herein prescribed, for the implementation of a comprehensive transportation policy plan for the area and for the other measures herein provided for.

Subd. 2. The metropolitan transit commission, in addition to other duties and purposes, shall have the following performance goals:

(a) To increase the number of persons riding and the rate at which persons are diverted from driving to riding.

(b) To achieve the fullest and most efficient use of public resources and investments in public transit and paratransit;

(c) To increase service levels within geographic areas and on routes and route segments characterized by high density of demand for service, transit dependent population, and little or no subsidy per passenger.

Sec. 34. Minnesota Statutes 1976, Section 473.405, Subdivision 1, is amended to read:

473.405 [OPERATION.] Subdivision 1. [LEGAL STATUS; GENERAL POWERS.] (a) The transit area, with the commission as its governing body, shall be a public corporation and a political subdivision of the state. All the powers vested and obligations or duties imposed upon the commission and acts of the commission by sections 473.401 to 473.451 shall be deemed to be those of the transit area wherever necessary or appropriate, and shall be exercised, performed, and discharged in behalf of the area by the commission in its name as a public corporation and with like force and effect as if done in the name of the area, and for all such purposes, the commission shall have the same status and powers as the area, all subject to the provisions of section 473.449. The chairman and secretary of the commission shall have such powers as are delegated to them by the commission.

(b) The commission shall have the power to plan, engineer, construct, equip, and operate transit and paratransit systems, transit projects, or any parts thereof, including transit road lanes

or rights of way, terminal facilities, maintenance and garage facilities, ramps, parking areas, and any other facilities useful for or related to any public transit or paratransit system or project. The commission may acquire by purchase, lease, gift, or condemnation proceedings any real or personal property, franchises, easements, or other rights of any kind for such purposes, or which may be necessary or proper for the discharge of its powers and duties. The commission shall have the power to acquire by purchase, lease, gift, or condemnation proceedings any existing public transit system or any part thereof, including all or any part of the plant, equipment, shares of stock, property, real, personal, or mixed, rights in property, reserve funds, special funds, franchises, licenses, patents, permits and paper, documents and records belonging to any operator of a public transit system within the transit area, and may in connection therewith assume any or all liabilities of any operator of a public transit system. The ~~commissioner~~ commission may not acquire any existing public transit system until such acquisition has been approved by a majority of the metropolitan council. The commission may hold, use, improve, operate, maintain, lease, exchange, transfer, sell, or otherwise dispose of any of its property or rights to others and may contract with any operator or other persons for the use by any such operator or person of any such property or facilities under its control.

The commission, if it proceeds to acquire any existing public transit system or any part thereof by condemnation, shall have the power to take control of and operate such system immediately following the filing and approval of the initial petition for condemnation, if the commission, in its discretion, determines such action to be necessary. This power shall include the possession of all right, title and other powers of ownership in all properties and facilities described in the petition. Such action shall be taken by resolution which shall be effective upon service of a copy thereof on the condemnee and the filing of the resolution in the condemnation action. In the determination of the fair value of the existing public transit system, there shall not be included any value attributable to expenditures for improvements made by the transit commission.

The commission may continue or terminate within three months of acquisition any advertising contract in existence by and between any advertiser and a transit system that the commission has acquired. If the commission determines to terminate such advertising contract, it shall acquire all of the advertiser's rights under the contract by purchase or eminent domain proceedings as provided by law.

The commission may sue and be sued and may enter into contracts which may be necessary or proper. The commission may accept gifts, grants, or loans of money or other property from the United States, the state, or any person or entity for such purposes, may enter into any agreement required in connection therewith, may comply with any federal or state laws or regulations applicable thereto, and may hold, use, and dispose of such money or property in accordance with the terms of the gift, grant, loan, or agreement relating thereto. The commission may establish an executive com-

mittee, a finance committee, and such other committees of its members as it deems necessary or proper in furtherance of the provisions of sections 473.401 to 473.451, and may authorize them to exercise in the intervals between commission meetings any powers of the commission except those expressly required by law to be exercised by the commission.

Sec. 35. Minnesota Statutes 1976, Section 473.405, Subdivision 2, is amended to read:

Subd. 2. [MANAGEMENT CONTRACTS.] Notwithstanding any of the other provisions of sections 473.401 to 473.451, the commission shall have powers, in lieu of directly operating any public transit system, or any part thereof, to enter into management contracts with any persons, firms, or corporations for the management of said system for such period or periods of time, and under such compensation and other terms and conditions as shall be deemed advisable and proper by the commission and such persons, firms, or corporations.

Such persons, firms, or corporations entering into management contracts with the commission may employ necessary personnel for the operation and maintenance of said system as well as perform consulting and supervisory services for the commission. An incentive fee may be included in any management contract that is negotiated. The employees of any public transit system operated pursuant to the provisions of this subdivision shall, in case of any dispute arising under any existing or new collective bargaining agreement relating to the terms or conditions of their employment, have the right, for the purpose of resolving such dispute, either to engage in a concerted refusal to work or to invoke the processes of final and binding arbitration as provided by chapter 572, subject to any applicable provisions of the agreement not inconsistent with law.

Whenever the commission shall directly operate any public transit system, or any part thereof, or enter into any management contract or other arrangement for the operation thereof, the commission shall take such action as may be necessary to extend to employees of affected public transit systems in the area, in accordance with seniority, the first opportunity for reasonably comparable employment in any available non-supervisory jobs in respect to such operations for which they can qualify after a reasonable training period. Such employment shall not result in any worsening of the employee's position in his former employment nor any loss of wages, hours, working conditions, seniority, fringe benefits, and rights and privileges pertaining thereto.

The commission may enter into an agreement specifying fair and equitable arrangements to protect the interests of employees who may be affected if the commission should acquire any interest in or purchase any facilities or other property of a *private privately owned and operated* transit system, or construct, improve, or reconstruct any such facilities or other such property acquired from any such system, or provide by contract or otherwise for the operation of mass transportation facilities or equipment in com-

petition with, or supplementary to, the service provided by an existing transit system. Such agreement, specifying the terms and conditions of the protective arrangements, shall comply with any applicable requirements of sections 473.401 to 473.451, and with the requirements of any federal law or regulation if federal aid is involved. Such an agreement may provide for final and binding arbitration of any dispute.

Sec. 36. Minnesota Statutes 1976, Chapter 473, is amended by adding a section to read:

[473.408] [FARE POLICY.] *Subdivision 1. [DEFINITIONS.] "Off-peak hours" means the time from 9:00 a.m. to 3:30 p.m. and 6:30 p.m. until the last bus on Monday through Friday of each week and all day Saturday, Sunday, and holidays designated by the commission.*

Subd. 2. [FARE POLICY.] Fares and fare collection systems shall be established and administered to accomplish the following purposes:

(a) to encourage and increase transit and paratransit ridership with an emphasis on regular ridership;

(b) To restrain increases in the average operating subsidy per passenger;

(c) To ensure that no riders on any route pay more in fares than the average cost of providing the service on that route;

(d) To ensure that operating revenues are proportioned to the cost of providing the service so as to reduce any disparity in the subsidy per passenger on routes in the transit system; and

(e) To implement the social fares as set forth in subdivision 3.

Subd. 3. [SOCIAL FARES.] In off-peak hours the commission and other operators shall charge the following reduced fares for transit service:

(a) ten cents plus any zone charges for all persons under the age of 18 holding an identification card issued by the commission;

(b) free fares for all persons 65 years of age and over holding a medicare card or other identification card authorized or approved by the commission; and

(c) not more than one-half of the full fare for all handicapped persons, as defined by the commission.

Subd. 4. [DOWNTOWN CIRCULATION FARES.] The commission and other operators may charge not less than ten cents for service on any route providing circulation service in a downtown area or community activity center. The commission and other operators shall not contribute more than 50 percent of the operating deficit of any such route that is confined to a downtown area or community activity center.

Subd. 5. [OTHER REDUCED FARES PROHIBITED; EXCEPTION.] Except for the advance sale of service through spe-

cial passes or for other special promotional efforts, and except as provided in subdivisions 3 and 4, the commission and other operators shall not grant any reduced fares for regular route bus service.

Sec. 37. Minnesota Statutes 1976, Chapter 473, is amended by adding a section to read:

[473.409] [AGREEMENTS WITH COMMISSION; ENCOURAGEMENT OF TRANSIT USE.] A state department or agency, including the legislative branch, any local governmental unit, the metropolitan council, or other metropolitan commission may enter into an agreement with the transit commission and other operators for the purpose of encouraging the use of transit by its employees residing in the metropolitan area. The agreement may provide for, among other things: (a) the advance purchase of tokens, tickets or other devices from the commission or other operator for use in lieu of fares on vehicles operated by the commission or other operator; and (b) special transit service for employees to and from their place of employment, at fares to be agreed upon by the contracting parties. The tokens, tickets, or other devices or services may be made available to employees at reduced rates. Any such agreement and arrangement by a state department or agency shall be submitted to the commissioner of administration for approval before execution. Any operating deficits or subsidy resulting from such agreements shall be assumed by the contracting department, agency, governmental unit, council, or other commission, unless otherwise provided in the agreement.

Sec. 38. Minnesota Statutes 1976, Section 473.411, Subdivision 1, is amended to read:

473.411 [TRANSPORTATION DEVELOPMENT PROGRAM.] Subdivision 1. [DEVELOPMENT PROGRAM.] The commission shall prepare and submit in the manner provided in and satisfying the requirements of section 473.161, a transportation development program, providing for the implementation of the policy plan adopted by the council. In preparing the program, the commission shall consult with counties and municipalities in the metropolitan area, the state transportation department and the state planning agency, and for that purpose may create such advisory committees as may be necessary.

Such program shall provide for coordination of routes and operations of all publicly and privately owned transportation facilities within the transit area to the end that combined efficient and rapid transportation may be provided for the use of the public in the entire area. The commission may designate a segment of the system planned as a pilot or demonstration transportation project using, without limitation, new technology including airborne systems, or traditional systems of evolved or modern form. The transportation development program shall include the general alignment and profile, approximate points of access, facility classification, approximate cost, relation to other existing and planned transportation routes and facilities, and a

statement of the expected general effect on present and future use of the property within the corridor. The program shall be accompanied with a statement of need for the proposed construction or improvement, a description of alternate routes which were considered, and an explanation of the advantages and disadvantages in the selection of any route considered. The transportation development program shall also contain a description of the type of right of way or routes required; the type of transit service to be provided in each portion of the system; designation of transit mode; and appropriate general operating criteria. *The program shall also contain an operational improvement program which shall at least describe performance objectives and standards which the commission proposes to achieve in satisfying policies, purposes, and goals established by the legislature and the council; identify performance indicators by which to monitor and assess progress in achieving the objectives and standards; and establish a route deficit limit.* The program may include such other information as the council or the commission deems necessary.

Sec. 39. Minnesota Statutes 1976, Section 473.411, Subdivision 3, is amended to read:

Subd. 3. [COMBINATION OF MASS TRANSIT AND PUBLIC HIGHWAY SYSTEMS; SERVICES OF DEPARTMENT OF TRANSPORTATION.] The ~~mass public~~ transit system specified in subdivision 1 shall be designed *and operated*, as far as practicable, so as to provide, in combination with public highways, adequate means and facilities of maximum attainable efficiency for public transportation to, from, and within the metropolitan transit area, and to relieve the congestion, traffic hazards, and other objectionable conditions aforesaid on the public highways caused by lack of adequate provisions for public transit. ~~In planning, designing, and constructing the mass transit system~~ The commission may make use of engineering and other technical and professional services, including regular staff and qualified consultants, which the commissioner of transportation can furnish, upon fair and reasonable reimbursement for the cost thereof; provided, that the commission shall have final authority over the employment of any services from other sources which it may deem necessary for such purposes. The commissioner of transportation may furnish all engineering, legal, and other services, if so requested by the commission and upon fair and reasonable reimbursement for the cost thereof by the commission, which the commission requests for the purposes stated in this subdivision, including the acquisition by purchase, condemnation, or otherwise in the name of the commission of all lands, waters, easements, or other rights or interests in lands or waters required by the commission.

Sec. 40. Minnesota Statutes 1976, Section 473.413, Subdivision 6, is amended to read:

Subd. 6. [SUCCESSION TO POWERS OF DEPARTMENT OF PUBLIC SERVICE.] There shall be transferred to and vested in the transit commission all of the powers and functions of the Minnesota department of public service with respect to any public transit system or part thereof which ~~shall have~~ *has been or is*

acquired or constructed by and is owned and operated by or under the authority of the transit commission. Whenever and so long as such public transit system or systems in the aggregate serve in excess of 50 percent of the persons using public transit systems in the transit area as determined by the department of public service, all of the powers and functions of the department of public service over all public transit systems in the transit area shall be transferred to and vested in the transit commission. With respect to a public transit system or any part thereof over which the transit commission shall exercise the powers and functions of the department of public service as hereinbefore provided the exercise of such powers and functions by the transit commission shall be exclusive and The department of public service shall not have authority to exercise such the powers and functions with respect thereto so transferred. An appeal from any order or decision of the transit commission may be taken by any party aggrieved thereby in like manner and with like effect as provided by law for appeals in corresponding cases from the orders or decisions of the department of public service.

Sec. 41. Minnesota Statutes 1976, Section 473.413, Subdivision 8, is amended to read:

Subd. 8. [COMMISSION; INSURANCE.] The commission may provide for self-insurance or may otherwise provide for the insurance of any of its property, rights, or revenue, worker's compensation, public liability, or any other risk or hazard arising from its activities, and may provide for insuring any of its officers or employees against any such risk or hazard at the expense of the commission. *If the commission provides for self insurance against its liability and the liability of its officers, employees and agents for damages resulting from its torts and those of its officers, employees and agents, including its obligation to pay basic economic loss benefits under sections 65B.41 to 65B.71, it shall be entitled to deduct from such damages and basic economic loss benefits all money paid or payable to the persons seeking damages and benefits from all governmental entities providing medical, hospital and disability benefits.*

Sec. 42. Minnesota Statutes 1976, Section 473.415, is amended to read:

473.415 [LABOR PROVISIONS.] If the commission acquires an existing transit system, the commission shall assume and observe all existing labor contracts and pension obligations. All employees of such system except executive and administrative officers who are necessary for the operation thereof by the commission shall be transferred to and appointed as employees of the commission for the purposes of the transit system, subject to all the rights and benefits of sections 473.401 to 473.451. Such employees shall be given seniority credit and sick leave, vacation, insurance, and pension credits in accordance with the records or labor agreements from the acquired transit system. The commission shall assume the obligations of any transit system acquired by it with regard to wages, salaries, hours, working conditions, sick leave, health and welfare and pension or retirement pro-

visions for employees. The commission and the employees, through their representatives for collective bargaining purposes, shall take whatever action may be necessary to have pension trust funds presently under the joint control of the acquired transportation system and the participating employees through their representatives transferred to the trust fund to be established, maintained and administered jointly by the commission and the participating employees through their representatives. No employee of any acquired transportation system who is transferred to a position with the commission shall by reason of such transfer be placed in any worse position with respect to worker's compensation, pension, seniority, wages, sick leave, vacation, health and welfare insurance or any other benefits than he enjoyed as an employee of such acquired transportation system.

Sec. 43. Minnesota Statutes 1976, Section 473.445, Subdivision 1, is amended to read:

473.445 [COMMISSION; ANNUAL REPORTS.] Subdivision 1. The commission on or before November 30 of each year shall prepare a report for the preceding fiscal year, also, so far as practicable, for the further time up to the preparation of the report, containing, in addition to such other matters as the commission may deem proper, the following:

(a) the activities of the commission during the period covered by the report;

(b) the financial condition of public transit systems under the control of the commission;

(c) a complete financial accounting of the financial accounts and affairs of the commission during the fiscal year;

(d) recommendations for improvements of or additions to the mass transit and paratransit facilities of the area to provide adequate, speedy, and efficient means of transporting people therein;

(e) recommendations for any needed legislation in furtherance of the aforesaid purposes.

Sec. 44. Minnesota Statutes 1976, 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 shall levy each year upon all taxable property within the metropolitan transit taxing district, defined herein, a transit tax, which shall not in any year exceed the sum consisting 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 shall 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 for payment of the expenses of operating regular route bus service;

(b) Such An additional amount, if any, as the commission determines to be necessary to provide for the full and timely payment of its certificates of indebtedness and other obligations outstanding on July 1, 1977, to which property taxes under this section have been pledged; 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; and

(c) Nothing in this section shall be construed as providing funding for the preliminary engineering, consultant studies, or construction of a regional fixed guideway system. An additional amount necessary to provide full and timely payment of bonds in the principal amount of \$9,000,000 which the commission is authorized to sell for the purpose of purchasing buses and related equipment, and constructing maintenance and other buildings, bus shelters and road related improvements.

Sec. 45. [SAINT PAUL DOWNTOWN PEOPLE MOVER.]
Subdivision 1. [FEASIBILITY STUDY; CONDITIONS OF EXPENDITURE BY THE COMMISSION.] *The Twin Cities metropolitan transit commission shall expend no public money for any expenses related to the Saint Paul downtown people mover project except as provided in this subdivision. The commission may spend up to \$150,000 for a preliminary engineering study of the project under a joint powers agreement with the city of Saint Paul, provided that the commission and the city shall first amend the joint powers agreement under which the study is to be undertaken to*

(a) *remove the chief administrator of the commission from the steering committee charged with directing the study, include as members of that committee the commissioner of the department of transportation and the chairman of the transportation advisory board of the metropolitan council and permit one state senator appointed by the majority leader of the senate and one state representative appointed by the speaker of the house to serve as nonvoting members of the committee;*

(b) *require that all third party contracts for consultants be approved by a majority of the steering committee with no veto power by the city of Saint Paul;*

(c) *require that the preliminary engineering study include a feasibility study consisting of (1) an analysis of the prudent and feasible alternatives to a fixed guideway transportation system that will achieve the development and other goals of the people mover*

project, (2) a study of the potential people mover ridership, (3) a review of the economic development assumptions used in predicting the economic benefits of the project, and (4) formulation of a specific plan setting forth the sources and method of payment of operating deficits and capital cost overruns of the project;

(d) provide for access to information for the metropolitan council at every stage of the study; and

(e) require submission of the completed study to the metropolitan council for review pursuant to subdivision 2.

Subd. 2. [EVALUATION BY THE METROPOLITAN COUNCIL.] *The metropolitan council shall independently evaluate the preliminary engineering study upon its completion. The council shall submit a report of its findings to the legislature and to the steering committee created under the joint powers agreement no later than 30 days following the submission to the council of the completed study. The report shall include the council's findings with respect to the reasonableness, accuracy and reliability of the assumptions and conclusions of the study. The council shall give particular attention to the matters required to be included in the feasibility study. The council shall contract with an independent private consultant to carry out the duties imposed by this section.*

Sec. 46. [PERFORMANCE FUNDING.] Subdivision 1. [DEFINITIONS.] *For the purpose of this section the following terms have the meanings given them in this subdivision.*

(a) "Commissioner" means the commissioner of transportation.

(b) "Contract" means a contract made pursuant to section 21.

(c) "Subsidy per passenger" means the amount calculated pursuant to subdivision 3, clause (b) plus the amount paid under any contract pursuant to subdivision 2, divided by the number of passengers carried on regular route bus service operated by the commission during that year, excluding passengers carried on demonstration routes for which assistance is received pursuant to section 23.

(d) "Municipality" means any statutory or home rule charter city, county or town.

(e) "Route" means any route on which the commission operates regular route bus service.

(f) "Revenue attributable to the route" means the total of: (i) the fares actually paid on the route; (ii) amounts reimbursed pursuant to section 21, subdivision 4 attributable to service on the route; and (iii) all payments received by the commission from municipalities for retention of service on the route.

(g) "Route deficit" means the difference between the actual operating cost of any route and the revenue attributable to the route divided by the number of passengers carried on that route including transfers.

Subd. 2. [BASIS AND FORM OF CONTRACT.] *Any contract*

entered into by the commissioner and the commission which provides financial assistance to the commission during any year subsequent to December 31, 1977, shall provide for payment to the commission of an amount which, when added to the amount calculated under subdivision 3, clause (b), and divided by the passengers carried during that period, will provide the commission with a 48 cent subsidy per passenger in calendar year 1978 and a 49 cent subsidy in the first half of 1979. In addition the commissioner shall provide assistance by contract with the commission for general administrative and planning expenses.

Subd. 3. [COMPUTATION OF SUBSIDY PER PASSENGER.] (a) **[DUTIES OF THE COMMISSION.]** After the close of each month, the commission shall report to the commissioner the number of passengers carried during that month on regular route bus service operated by the commission. The commissioner shall use these figures reported by the commission in computing payments due under any contract entered into pursuant to this section. The commission shall make available to the commissioner any information required to permit the commissioner to carry out his duties under this section.

(b) **[DUTIES OF THE COMMISSIONER.]** The commissioner shall calculate the total amount of money received by the commission from all sources to pay the expenses of operating regular route bus service during the calendar year and shall include the following items in that amount:

(i) grants from the federal government pursuant to 49 U.S.C. 1604;

(ii) proceeds of any property tax levied by the commission under section 473.446, clause (a);

(iii) financial assistance received from political subdivisions, public agencies other than the department of transportation, or private entities or persons whether received as a grant, payment of a contractual obligation or otherwise. The commissioner shall exclude from that amount any revenue received by the commission from fares paid for regular route bus service and money paid by the commissioner to reimburse the commission for providing reduced fare service pursuant to section 36 or to permit the commission to operate demonstration services pursuant to section 23. The commissioner shall periodically examine the commission's data concerning the number of passengers carried on regular route bus service and the procedures for collecting that data.

Subd. 4. [PROCEDURE FOR MONTHLY PAYMENT.] Sums owed under any contract made pursuant to this section shall be paid monthly in a manner determined by the commissioner consistent with subdivisions 1 to 3.

Sec. 47. Minnesota Statutes 1976, Section 473.141, Subdivision 4, is amended to read:

Subd. 4. [QUALIFICATIONS.] Each member shall be a resident of the precinct for which he is appointed and shall not dur-

ing his term of office hold the office of metropolitan council member, or be a member of another metropolitan commission, the metropolitan airports commission or the metropolitan sports facilities commission or hold any judicial office. Each member shall qualify by taking and subscribing the oath of office prescribed by the Minnesota Constitution, Article 5, Section 5. Such oath, duly certified by the official administering the same, shall be filed with the executive director of the metropolitan council.

Sec. 48. *Notwithstanding the provisions of section 473.141, subdivision 5, the terms of office of all members of the metropolitan transit commission who were not appointed by the metropolitan council shall terminate on July 1, 1977. Successors to those members shall be appointed by the council to terms ending on the first Monday in January, 1979. Thereafter, successors to those members shall be appointed to terms as provided in section 473.141, subdivision 5.*

Sec. 49. [REPEALER.] *Minnesota Statutes 1976, Sections 161.125, Subdivision 2; 161.50; 174.06, Subdivision 4; 219.401; 473.121, Subdivision 17; 473.411, Subdivision 2; 473.421; 473.422; 473.423; 473.424; 473.425; 473.437; 473.443; 473.445, Subdivision 2; 473.446, Subdivisions 4 and 5; 473.447 and Laws 1974, Chapter 534, as amended by Laws 1975, Chapter 203, are repealed.*

Sec. 50. [EFFECTIVE DATE.] *Section 45 is effective the day following final enactment."*

Further, delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and for other purposes with certain conditions; amending Minnesota Statutes 1976, Sections 16.72, Subdivision 5, and by adding a subdivision; 161.125, Subdivision 1, and by adding a subdivision; 169.86, by adding a subdivision; 174.50, Subdivision 7; 219.40; 299D.03, Subdivision 5; 473.121, Subdivisions 18, 19, 20, and by adding a subdivision; 473.402; 473.405, Subdivisions 1 and 2; 473.411, Subdivisions 1 and 3; 473.413, Subdivision 8; 473.415; 473.445, Subdivision 1; 473.446, Subdivision 1; and 473.141, Subdivision 4; and Chapters 174 and 473, by adding sections; repealing Minnesota Statutes 1976, Sections 161.125, Subdivision 2; 161.50; 174.06, Subdivision 4; 219.401; 473.121, Subdivision 17; 473.411, Subdivision 2; 473.421; 473.422; 473.423; 473.424; 473.425; 473.437; 473.443; 473.445, Subdivision 2; 473.446, Subdivisions 4 and 5; 473.447; and Laws 1974, Chapter 534, as amended."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Phyllis Kahn, Pete Petrafeso, Delbert F. Anderson, John Corbid

Senate Conferees: (Signed) Jack Kleinbaum, David Schaaf, Clarence Purfeerst, Edward Gearty, Harmon Ogdahl

Mr. Kleinbaum moved that the foregoing recommendations and

Conference Committee Report on H. F. No. 1610 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. 1610: A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and for other purposes with certain conditions; amending Minnesota Statutes 1976, Sections 16.72, Subdivision 5, and by adding a subdivision; 161.125, Subdivision 1, and by adding a subdivision; 169.86, by adding a subdivision; 174.50, Subdivision 7; 219.40; 299D.03, Subdivision 5; 473.121, Subdivisions 18, 19, 20, and by adding a subdivision; 473.402; 473.405, Subdivisions 1 and 2; 473.411, Subdivisions 1 and 3; 473.413, Subdivision 8; 473.415; 473.445, Subdivision 1; 473.446, Subdivision 1; and 473.141, Subdivision 4; and Chapters 174 and 473, by adding sections; repealing Minnesota Statutes 1976, Sections 161.125, Subdivision 2; 161.50; 174.06, Subdivision 4; 219.401; 473.121, Subdivision 17; 473.411, Subdivision 2; 473.421; 473.422; 473.423; 473.424; 473.425; 473.437; 473.443; 473.445, Subdivision 2; 473.446, Subdivisions 4 and 5; 473.447; and Laws 1974, Chapter 534, as amended.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 46 and nays 6, as follows:

Those who voted in the affirmative were:

Ashbach	Gerty	Luther	Peterson	Strand
Bang	Gunderson	McCutcheon	Purfeerst	Stumpf
Benedict	Hanson	Menning	Schaaf	Tennessee
Bernhagen	Hughes	Moe	Schrom	Ulland, J.
Borden	Humphrey	Nelson	Setzepfandt	Vega
Coleman	Johnson	Ogdahl	Sikorski	Willet
Davies	Kleinbaum	Olhoft	Sillers	
Dieterich	Knoll	Olson	Solon	
Dunn	Laufenburger	Penny	Spear	
Engler	Lessard	Perpich	Stokowski	

Those who voted in the negative were:

Brataas	Merriam	Pillsbury	Schmitz	Sieloff
Knutson				

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 recommendation and report of the Conference Committee on House File No. 613 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 613: A bill for an act relating to the operation of state government; establishing an office of volunteer services within the office of the governor; coordinating volunteer programs throughout the state; appropriating money.

House File No. 613 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 613

A bill for an act relating to the operation of state government; establishing an office of volunteer services within the office of the governor; coordinating volunteer programs throughout the state; appropriating money.

May 20, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 613 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. 613 be amended as follows:

Page 1 line 12, after "office" , insert "The office shall be under the supervision and administration of an executive director to be appointed by the governor and hereinafter referred to as "director". The director shall be regarded as an employee of the governor."

Page 1, line 17, delete "office" and insert "director"

Page 1, line 19, delete "office" and insert "director"

Page 1, line 23, delete "office" and insert "director" and after "accept" insert "and disburse"

Page 2, line 3, delete "office" and insert "director"

Page 2, line 5, delete "office" and insert "director"

Page 2, delete lines 7 to 14 and insert

"Subd. 5. The governor shall appoint an advisory committee of not more than 21 members, at least one member from each economic development region, to advise and make recommendations to him and the director of volunteer services. Notwithstanding this numerical limitation, members currently serving on an advisory group to the governor's office of volunteer services shall complete

their prescribed terms of office; thereafter, appointments of successors shall be made so as to be consistent with the numerical limitation contained in this section. Membership terms, compensation, removal and filling of vacancies of members of the advisory committee shall be as provided in section 15.059; provided, that members shall not be eligible for a per diem.

Sec. 2. The office and position of executive director created pursuant to this act shall be deemed to supersede and replace the "governor's office of volunteer services" created pursuant to executive order of the governor."

Page 2, line 16, delete "office" and insert "director"

Renumber the sections in order

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Janet Clark, Paul McCarron, Donald Samuelson

Senate Conferees: (Signed) Jerome Hughes, Emily Anne Staples, Nancy Brataas

Mr. Hughes moved that the foregoing recommendations and Conference Committee Report on H. F. No. 613 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. 613: A bill for an act relating to the operation of state government; establishing an office of volunteer services within the office of the governor; coordinating volunteer programs throughout the state; appropriating money.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 49 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Menning	Pillsbury	Spear
Bang	Hughea	Merriam	Purfeerst	Staples
Benedict	Humphrey	Moe	Schaaf	Stokowski
Bernhagen	Johnson	Nelson	Schmitz	Strand
Brataas	Kleinbaum	Ogdahl	Schrom	Stumpf
Coleman	Knoll	Olhoft	Setzepfandt	Tennessee
Davies	Knutson	Olson	Sieloff	Ulland, J.
Dieterich	Lessard	Penny	Sikoraki	Vega
Dunn	Luther	Perpich	Sillers	Willet
Gunderson	McCutcheon	Peterson	Solon	

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 recommendation and report of the Conference Committee on House File No. 1582 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 1582: A bill for an act relating to public safety; clarifying the duties of the commissioner of public safety in regard to the state criminal justice datacommunications network; amending Minnesota Statutes 1976, Sections 299C.46; 299C.48; and Chapter 299C, by adding a section; repealing Minnesota Statutes 1976, Section 299C.45.

House File No. 1582 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1582

A bill for an act relating to public safety; clarifying the duties of the commissioner of public safety in regard to the state criminal justice datacommunications network; amending Minnesota Statutes 1976, Sections 299C.46; 299C.48; and Chapter 299C, by adding a section; repealing Minnesota Statutes 1976, Section 299C.45.

May 21, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1582, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from the second Schaaf amendment adopted by the Senate May 20, 1977, and that the House concur in the other Senate amendments.

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Steve Novak, Phyllis Kahn, Donald Moe

Senate Conferees: (Signed) David D. Schaaf, Bill McCutcheon, George F. Perpich

Mr. Schaaf moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1582 be now adopted, and that the bill be repassed as amended by the Conference Commit-

tee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 1582: A bill for an act relating to public safety; clarifying the duties of the commissioner of public safety in regard to the state criminal justice datacommunications network; amending Minnesota Statutes 1976, Sections 299C.46; 299C.48; and Chapter 299C, by adding a section; repealing Minnesota Statutes 1976, Section 299C.45.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Peterson	Stokowski
Ashbach	Frederick	Lessard	Pillsbury	Strand
Bang	Gearty	Luther	Purfeerst	Stumpf
Benedict	Gunderson	McCutcheon	Renneke	Tennessee
Bernhagen	Hanson	Menning	Schaaf	Ulland, J.
Borden	Hughes	Merriam	Setzepfandt	Vega
Brataas	Humphrey	Moe	Sieloff	Willet
Coleman	Johnson	Nelson	Sikorski	
Davies	Kleinbaum	Olhoff	Sillers	
Dieterich	Knoll	Penny	Solon	
Dunn	Knutson	Perpich	Staples	

So the bill, as amended by the Conference Committee, was re-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. 562 and re-passed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 562: A bill for an act relating to motor vehicles; requiring informational labels on new pickup trucks; providing penalties.

H. F. No. 562 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 562

A bill for an act relating to motor vehicles; requiring informational labels on new pickup trucks; providing penalties.

May 21, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 562 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. 562 be amended as follows:

Page 1, line 17, delete "that" and insert "and in the same manner as"

Page 1, line 18, delete "by 15 USC 1232"

Page 2, line 2, after the period insert "Sections 1 and 2 shall not apply to trucks for which the annual sales in Minnesota of the previous model year were less than 200."

Page 2, delete line 5 and insert "built after December 31, 1978."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Norman R. Prah, John S. Biersdorf, Russell P. Stanton

Senate Conferees: (Signed) Bob Lessard, Roger Laufenburger, Mel Frederick

Mr. Lessard moved that the foregoing recommendations and Conference Committee Report on H. F. No. 562 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. 562: A bill for an act relating to motor vehicles; requiring informational labels on new pickup trucks; providing penalties.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 50 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Knutson	Perpich	Solon
Ashbach	Frederick	Laufenburger	Peterson	Staples
Bang	Gearty	Lessard	Pillsbury	Stokowski
Benedict	Gunderson	Luther	Renneke	Strand
Bernhagen	Hanson	McCutcheon	Schaaf	Stumpf
Borden	Hughes	Menning	Schmitz	Tennessee
Coleman	Humphrey	Moe	Setzepfandt	Ulland, J.
Davies	Johnson	Nelson	Sieloff	Vega
Dieterich	Kleinbaum	Olhoft	Sikorski	Wegener
Dunn	Knoll	Penny	Sillers	Willet

Mrs. Brataas 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 recommendation and report of the Conference Committee on House File No. 1054 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 1054: A bill for an act relating to welfare; aid to families with dependent children; changing certain eligibility qualifications; amending Minnesota Statutes 1976, Sections 256.73, Subdivisions 1, 2, 4, and by adding subdivisions; and 256.79.

House File No. 1054 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1054

A bill for an act relating to welfare; aid to families with dependent children; changing certain eligibility qualifications; amending Minnesota Statutes 1976, Sections 256.73, Subdivisions 1, 2, 4, and by adding subdivisions; and 256.79.

May 21, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1054, report that we have agreed upon the items in dispute and recommend as follows:

That the House accept the Senate amendments and that H. F. No. 1054 be further amended as follows:

Page 4, after line 11, insert:

"Sec. 5. Minnesota Statutes 1976, Section 256.73, is amended by adding a subdivision to read:

Subd. 6. [REPORTS BY RECIPIENT.] Each recipient shall complete reports as requested by the local or state agency. All net earned or unearned income not specifically disregarded by the social security act, the code of federal regulations, or state law, rules and regulations, shall be income applicable to the budgetary needs of the family. If any amount of aid to families with dependent children assistance is paid to a recipient thereof in excess of the payment due it shall be recoverable by the local agency. If the agency notifies the recipient in writing of an overpayment due solely to local agency error within three months after the overpayment, the agency may commence recovery of the overpayment during the year after the notification is received by the recipient. The written notice shall inform the recipient of the agency's intention to recover the overpayment. The recipient may appeal the agency's determination that an overpayment has occurred in accordance with section 256.045."

Renumber sections in sequence

Further amend the title, as amended, as follows:

Page 1, line 6, strike "a subdivision" and insert "subdivisions"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) John Brandl, James Rice, Mary Forsythe

Senate Conferees: (Signed) Robert J. Tennesen, George F. Perpich, Earl W. Renneke

Mr. Tennesen moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1054 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. 1054: A bill for an act relating to welfare; aid to families with dependent children; changing certain eligibility qualifications; amending Minnesota Statutes 1976, Sections 256.73, Subdivisions 1, 2, 4, and by adding subdivisions; and 256.79.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Luther	Renneke	Strand
Ashbach	Gearty	McCutcheon	Schaaf	Stumpf
Bang	Gunderson	Menning	Schmitz	Tennessen
Benedict	Hanson	Merriam	Setzepfandt	Ulland, J.
Bernhagen	Hughes	Moe	Sieloff	Vega
Brataas	Humphrey	Nelson	Sikorski	Wegener
Coleman	Johnson	Olhoff	Sillers	Willet
Davies	Knoll	Penny	Solon	
Dieterich	Knutson	Perpich	Spear	
Dunn	Laufenburger	Peterson	Staples	
Engler	Lessard	Pillsbury	Stokowski	

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 recommendation and report of the Conference Committee on House File No. 937 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 937: A bill for an act relating to Ramsey county; deleting obsolete provisions in the Ramsey county code relating to parks and recreation; amending Laws 1974, Chapter 435, Section 1.0205.

House File No. 937 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 937

A bill for an act relating to Ramsey county; deleting obsolete provisions in the Ramsey county code relating to parks and recreation; amending Laws 1974, Chapter 435, Section 1.0205.

May 21, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 937 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments.

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Richard J. Cohen, Richard Kostohryz and Walter R. Hanson.

Senate Conferees: (Signed) Peter P. Stumpf and Ron Sieloff.

Mr. Stumpf moved that the foregoing recommendations and Conference Committee Report on H. F. No. 937 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. 937: A bill for an act relating to Ramsey county; deleting obsolete provisions in the Ramsey county code relating to parks and recreation; amending Laws 1974, Chapter 435, Section 1.0205.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 47 and nays 5, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Pillsbury	Strand
Ashbach	Gearty	Lessard	Renneke	Stumpf
Bang	Gunderson	McCutcheon	Schaaf	Tennessee
Benedict	Hanson	Menning	Schmitz	Ulland, J.
Bernhagen	Hughea	Moe	Sieloff	Vega
Brataas	Humphrey	Nelson	Sikorski	Wegener
Coleman	Johnson	Olhoft	Solon	Willet
Davies	Kleinbaum	Penny	Spear	
Dieterich	Knoll	Perpich	Staples	
Engler	Knutson	Peterson	Stokowski	

Those who voted in the negative were:

Dunn	Luther	Merriam	Setzepfandt	Sillers
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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 accedes to the request of the Senate for the return of House File No. 447 for further consideration.

H. F. No. 447: A bill for an act relating to natural resources; directing the commissioner of natural resources to provide an alternative road access to General C. C. Andrews State Forest; appropriating money therefor.

House File No. 447 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 21, 1977

RECONSIDERATION

Mr. Ashbach moved that the vote whereby H. F. No. 447 was passed by the Senate on May 20, 1977, be now reconsidered. The motion prevailed.

Mr. Anderson moved to amend H. F. No. 447 as amended by the Chmielewski amendment adopted by the Senate May 20, 1977, as follows:

Strike section 1

After "Sec. 3." strike "Section 2" and insert "This act"

Renumber the sections in sequence

Amend the title by striking it and inserting:

"A bill for an act relating to Chisago county; authorizing Chisago county to issue revenue bonds to finance the cost of facilities for the county nursing home; providing for the administration and rental of the facilities."

The motion prevailed. So the amendment was adopted.

H. F. No. 447 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Lessard	Renneke	Strand
Ashbach	Gearty	Luther	Schaaf	Stumpf
Bang	Gunderson	McCutcheon	Schmitz	Tennessee
Benedict	Hanson	Menning	Setzpfandt	Ulland, J.
Bernhagen	Hughes	Merriam	Sieloff	Vega
Brataas	Humphrey	Moe	Sikorski	Wegener
Coleman	Johnson	Nelson	Sillers	Willet
Davies	Kleinbaum	Olhoft	Solon	
Dieterich	Knoll	Penny	Spear	
Dunn	Knutson	Peterson	Staples	
Engler	Laufenburger	Pillsbury	Stokowski	

So the bill, as amended, passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

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.

Monsignor Terrence Murphy, Chaplain, effective May 17, 1977

Kevin McDonough, Chaplain, effective May 19, 1977

Mr. Coleman moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

Mr. Coleman moved that the Senate do now adjourn until 11:00 o'clock a.m., Monday, May 23, 1977. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

SIXTY-FIRST DAY

St. Paul, Minnesota, Monday, May 23, 1977

The Senate met at 11:00 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:

Ashbach	Engler	Kleinbaum	Nelson	Sikorski
Bang	Frederick	Knoll	Ogdahl	Sillers
Benedict	Gearty	Knutson	Olhoft	Strand
Bernhagen	Gunderson	Laufenburger	Olson	Stumpf
Borden	Hanson	Lewis	Penny	Tennessee
Coleman	Hughes	Luther	Pillsbury	Vega
Davies	Humphrey	Merriam	Purfeerst	Wegener
Dieterich	Johnson	Milton	Schmitz	Willet
Dunn	Keefe, S.	Moe	Schrom	

The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Nicholas J. Finn.

The roll was called, and the following Senators answered to their names:

Anderson	Frederick	Lessard	Penny	Staples
Ashbach	Gearty	Lewis	Perpich	Stokowski
Bang	Gunderson	Luther	Peterson	Strand
Benedict	Hanson	McCutcheon	Pillsbury	Stumpf
Bernhagen	Hughes	Menning	Purfeerst	Tennessee
Borden	Humphrey	Merriam	Renneke	Ulland, J.
Brataas	Johnson	Milton	Schmitz	Vega
Chmielewski	Keefe, J.	Moe	Schrom	Wegener
Coleman	Keefe, S.	Nelson	Setzepfandt	Willet
Davies	Kleinbaum	Nichols	Sikorski	
Dieterich	Knoll	Ogdahl	Sillers	
Dunn	Knutson	Olhoft	Solon	
Engler	Laufenburger	Olson	Spear	

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, Jensen, Kirchner, Schaaf, Sieloff and Ueland, A. were excused from the Session of today.

REPORTS FILED WITH THE SECRETARY OF THE SENATE

The following reports were received and filed by the Secretary of the Senate: Council for Economic Status of Women, Minnesota Women of Profile; Minnesota Peace Officer Training Board, Peace Officer Training through June 30, 1976; Governor's Citizen Council on Aging, Proposed State Policy for Citizens Dependent Upon Long Term Care and Services; Department of Economic Development, Small Business Procurement Act, Annual Report; Commissioner of Transportation, Biennial Report on Highways, 1974-76; Northwest Regional Development Commission, Annual Report, 1976.

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. 1563: A bill for an act relating to the operation of state government; establishing a department of justice; transferring certain functions of the departments of public safety, administration, commerce, natural resources, public service, public welfare, revenue, health, labor and industry and the division of insurance and state court administrator.

Referred to the Committee on Governmental Operations.

Messrs. Schaaf, Knoll, Borden, Benedict and Chenoweth introduced—

S. F. No. 1564: A bill for an act relating to administrative procedures of government agencies; adding metropolitan and capitol area agencies to the coverage of the administrative procedure act; amending Minnesota Statutes 1976, Section 15.0411, Subdivision 2.

Referred to the Committee on Governmental Operations.

Messrs. Menning and Nichols introduced—

S. F. No. 1565: A bill for an act relating to taxation; providing that compensation for service in the Minnesota national guard be exempt from the income tax; amending Minnesota Statutes 1976, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Solon and Ulland, J. introduced—

S. F. No. 1566: A bill for an act relating to the city of Duluth; firemen's service pensions and survivor benefits.

Referred to the Committee on Governmental Operations.

Without objection, the Senate proceeded to the Order of Business of Motions and Resolutions.

MOTIONS AND RESOLUTIONS

Mr. Johnson moved that his name be stricken and the name of Mr. Davies be added as chief author to S. F. No. 308. The motion prevailed.

Mr. Coleman introduced—

Senate Resolution No. 22: A Senate resolution relating to conduct of Senate business during the interim between sessions.

BE IT RESOLVED, by the Senate of the state of Minnesota:

The powers, duties and procedures set forth in this resolution apply during the interim between the adjournment of the 70th Legislature, 1977 session and the convening of the 70th Legislature, 1978 session.

All Senate records, including committee books, are subject to the direction of the Committee on Rules and Administration.

For the period between the close of the 70th Legislature, 1977 session and the convening of the 70th Legislature, 1978 session, the Senate Chamber, retiring room, committee rooms, all conference rooms, storage rooms, Secretary of the Senate's office, Rules and Administration office, and any and all other space assigned to the Senate, shall be reserved for use by the Senate and its standing committees only and shall not be released or used for any other purpose except upon authorization of the Secretary of the Senate with the approval of the Committee on Rules and Administration, or the Chairman thereof.

The Subcommittee on Committees of the Committee on Rules and Administration shall appoint persons as necessary to fill any vacancies that may occur in committees, commissions, and other bodies whose members are to be appointed by the Senate authorized by rule, statute, resolution, or otherwise.

The Committee on Rules and Administration shall establish positions, set compensation, and appoint employees as it deems proper to carry out the work of the Senate.

The Secretary of the Senate is authorized to employ after the close of the session such employees as may be necessary to finish the business of the Senate at the salaries paid such employees under the rules of the Senate for the 1977 regular session. He is authorized to employ the necessary employees to prepare for the 1978 session at the salaries in effect at that time.

The Secretary of the Senate, as authorized and directed by the Committee on Rules and Administration, shall furnish each member of the Senate with postage and supplies, and may reimburse each member for long distance telephone calls not to exceed \$45 per month, upon proper verification of the expenses incurred, and for such other expenses as may be authorized from time to time by the Committee on Rules and Administration.

The Secretary of the Senate shall correct and approve the Journal of the Senate for those days that have not been corrected and approved by the Senate, and shall correct printing errors found in the Journal of the Senate for the 1977 session. He may

include in the Senate Journal proceedings of the last day, appointments by the Subcommittee on Committees to interim commissions created by legislative action, permanent commissions or committees established by statute, standing committees, official communications and other matters of record received on or after the 23rd day of May, 1977.

The Secretary of the Senate may pay election and litigation costs as authorized by the Committee on Rules and Administration.

The Secretary of the Senate, with the approval of the Committee on Rules and Administration, shall secure bids and enter into contracts for the printing of the daily Senate journals, bills, general orders, special orders, calendars, resolutions, printing and binding of the permanent Senate Journal, and other printing required by the Senate for the 70th Legislature, 1978 session, and any special session called prior to the 71st regular session of the Legislature, shall secure bids and enter into contracts for remodeling and improvement of Senate office space, and shall purchase all supplies and equipment necessary to carry out the work of the Senate. Any contracts in excess of \$5,000 shall be signed by the Chairman of the Committee on Rules and Administration and another member designated by the Committee on Rules and Administration.

The Custodian of the Capitol shall continue to provide parking space for members and staff of the Legislature pursuant to Senate Concurrent Resolution No. 2.

Mr. Coleman moved the adoption of the foregoing resolution.

The question was taken on the adoption of the resolution.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Ashbach	Gearty	Lewis	Penny	Spear
Bang	Gunderson	Luther	Perpich	Staples
Benedict	Hanson	McCutcheon	Peterson	Stokowski
Bernhagen	Hughes	Menning	Pillsbury	Strand
Borden	Humphrey	Merriam	Purfeerst	Stumpf
Brataas	Johnson	Milton	Renneke	Tennessee
Chmielewski	Keefe, J.	Moe	Schmitz	Ulland, J.
Coleman	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Kleinbaum	Nichols	Setzepfandt	Wegener
Dunn	Knutson	Ogdahl	Sikorski	Willet
Engler	Laufenburger	Olhoff	Sillers	
Frederick	Lessard	Olson	Solon	

The motion prevailed. So the resolution was adopted.

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 1395 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 1395

A bill for an act relating to education; public television and radio; altering the calculation of matching funds required by public stations; appropriating money; amending Minnesota Statutes 1976, Section 139.18, Subdivisions 1 and 2.

May 21, 1977

The Honorable Edward J. Gearty
President of the Senate

The Honorable Martin O. Sabo
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 1395, 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. 1395 be amended as follows:

Page 2, delete lines 19 to 32, and insert:

"Sec. 3. [LEGISLATIVE COMMISSION.] Subdivision 1. A legislative commission is hereby created to study public broadcasting in the state. The commission shall conduct studies including, but not limited to the following issues:

(a) Statewide expansion of public broadcasting to serve unmet educational, cultural and informational needs by utilizing existing facilities at post-secondary institutions and other public broadcasters, and adding of facilities to approximate statewide coverage and achieve live interconnection among the stations;

(b) Structure and governance of future development including the fixing of responsibility for decisions as to programming, planning and development with a balancing of insulation from governmental control and accountability to the citizens of the state;

(c) Financing of capital expenditures, operating costs, and future development with available legislative funding and nonstate support;

(d) Programming to serve unmet or partially met educational and informational audience needs; use of the programming to strengthen instructional and continuing education activities of the post-secondary systems; and integration of local, regional and statewide broadcasting into the total programming effort.

Subd. 2. [MEMBERS, REIMBURSEMENT.] The bipartisan commission shall consist of five members of the house of representatives appointed by the speaker and five members of the senate appointed by the senate committee on committees. Any vacancy shall be filled by the appointing power.

Members of the commission shall be reimbursed in the same manner and amount as for attendance at legislative meetings. Reimbursement for expenses incurred shall be made pursuant to the rules governing state employees.

Subd. 3. [RECOMMENDATIONS.] The commission shall act from the time its members are appointed until January 15, 1978. It shall report its findings and recommendations to the legislature not later than January 15, 1978.

Subd. 4. [MEETINGS, STAFF.] The commission shall hold meetings and hearings at the times and places it designates to accomplish the purposes set forth in subdivisions 1 to 6. It shall select a chairman and other officers from its membership and employ staff as necessary.

Subd. 5. [GIFTS AND GRANTS.] The commission may solicit and accept gifts and grants available for use to accomplish the purposes of subdivisions 1 to 6.

Subd. 6. [APPROPRIATION.] The sum of \$25,000 is appropriated from the general fund to the commission to pay its expenses.

Subd. 7. [EFFECTIVE DATE.] This section is effective the day following final enactment."

Page 3, delete lines 1 to 32

Page 4, delete lines 1 to 23

Renumber the remaining section

Page 4, line 24, delete "sums" and insert "sum"

Page 4, line 25, delete "are" and insert "is"

Page 4, delete lines 30 and 31

Further, amend the title as follows:

Page 1, line 2, delete "and"

Page 1, line 3, delete "radio"

Page 1, line 4, after the semicolon insert "creating a legislative commission on public broadcasting;"

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Sam Solon, Hubert H. Humphrey III, Nancy Brataas.

House Conferees: (Signed) David Beauchamp, Ray Faricy, James C. Pehler.

Mr. Solon moved that the foregoing recommendations and Conference Committee Report on S. F. No. 1395 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. 1395: A bill for an act relating to education; public television and radio; altering the calculation of matching funds required by public stations; appropriating money; amending Minnesota Statutes 1976, Section 139.18, Subdivisions 1 and 2.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 59 and nays 1, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Olson	Solon
Ashbach	Gearty	Lessard	Penny	Spear
Bang	Gunderson	Lewis	Perpich	Staples
Benedict	Hanson	Luther	Peterson	Stokowski
Bernhagen	Hughes	McCutcheon	Pillsbury	Strand
Borden	Humphrey	Menning	Purfeerst	Stumpf
Brataas	Johnson	Milton	Renneke	Tennessee
Chmielewski	Keefe, J.	Moe	Schmitz	Ulland, J.
Coleman	Keefe, S.	Nelson	Schrom	Vega
Davis	Kleinbaum	Nichols	Setzepfandt	Wegener
Dieterich	Knoll	Ogdahl	Sikorski	Willet
Dunn	Knutson	Olhoft	Sillers	

Mr. Merriam voted in the negative.

So the bill, as amended by the Conference Committee, was re-passed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Messages From the House.

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. 411: A bill for an act relating to peace officers; providing for training and licensing of all peace officers in the state; renaming the peace officer training board; giving the board additional responsibilities; amending Minnesota Statutes 1976, Sections 214.01, Subdivision 3; 626.841; 626.842; 626.843, Subdivision 1; 626.845; 626.846, Subdivision 1 and by adding subdivisions; 626.848; 626.85, Subdivision 1; 626.851, Subdivision 2; 626.854; Chapter 626, by adding a section; repealing Minnesota Statutes 1976, Sections 626.843, Subdivision 4; 626.844; 626.846, Subdivision 2; 626.847; and 626.853.

There has been appointed as such committee on the part of the House:

Sieben H.; Haugerud, and Moe.

Senate File No. 411 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 21, 1977

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. 1051 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 1051: A bill for an act relating to public welfare; aid to families with dependent children, medical assistance, and supplemental aid; altering eligibility criteria; appropriating money; amending Minnesota Statutes 1976, Sections 256.73, Subdivision 2; 256B.06, Subdivision 1; 256B.14; and 256D.37, Subdivision 2.

House File No. 1051 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1051

A bill for an act relating to public welfare; aid to families with dependent children, medical assistance, and supplemental aid; altering eligibility criteria; appropriating money; amending Minnesota Statutes 1976, Sections 256.73, Subdivision 2; 256B.06, Subdivision 1; 256B.14; and 256D.37, Subdivision 2.

May 21, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1051, 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. 1051 be amended as follows:

Strike everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1976, Section 62E.52, Subdivision 2, is amended to read:

Subd. 2. “Eligible person” means any person who is a resident of Minnesota and who, while a resident of Minnesota, has been found by the commissioner to have incurred an obligation to pay :

(1) qualified expenses for himself and any dependents in any 12 consecutive months exceeding:

(a) 40 percent of his household income up to \$15,000, plus 50 percent of his household income between \$15,000 and \$25,000, plus 60 percent of his household income in excess of \$25,000; or

(b) \$2,500, whichever is greater ; or

(2) qualified nursing home expenses for himself and any dependents in any 12 consecutive months exceeding 20 percent of his household income .

Sec. 2. Minnesota Statutes 1976, Section 62E.52, is amended by adding a subdivision to read:

Subd. 3a. "Qualified nursing home expense" includes any charge incurred for nursing home services after 36 months of continuous care provided to a person 64 years of age or younger in long-term care facilities.

Sec. 3. Minnesota Statutes 1976, Section 62E.52, Subdivision 5, is amended to read:

Subd. 5. "Household income" means the gross income of an eligible person and all his dependents 23 years of age or older for the calendar year preceding the year in which an application is filed pursuant to section 62E.53.

Sec. 4. Minnesota Statutes, Section 62E.53, Subdivision 2, is amended to read:

Subd. 2. If the commissioner determines that an applicant is an eligible person, he shall pay

(1) 90 percent of all qualified expenses of the eligible person and his dependents in excess of:

(a) 40 percent of his household income under \$15,000, plus 50 percent of his household income between \$15,000 and \$25,000, plus 60 percent of his household income in excess of \$25,000; or

(b) \$2,500;

whichever is greater for the 12 month period in which the applicant becomes an eligible person and

(2) all qualified nursing home expenses of the eligible person and his dependents in excess of 20 percent of his household income. Provided, however, that the payment of qualified nursing home expenses shall not be made until the end of the fiscal year. If the appropriation for the payment of qualified nursing home expenses is inadequate to pay all qualified nursing home expenses, the commissioner shall prorate the payments among all eligible persons in proportion to their share of the total of the qualified nursing home expenses of all eligible persons. If the commissioner determines that the charge for a health service is excessive, he may limit his payment to the usual and customary charge for that service. If the commissioner determines that a health service provided to an eligible person was not medically necessary, he may refuse to pay for the service. To the extent feasible, the commissioner shall contract with a review organization as defined in section 145.61, in making any determinations as to whether or not a charge is excessive. To the extent feasible, the commissioner shall contract with a review organization as defined in section 145.61, in making any determination as to whether or not a service was medically necessary. If the commissioner in accordance with this section refuses to pay all or a part of the charge for a health service, the unpaid portion of the charge shall be deemed to be an unconscionable fee, against the public policy of this state, and unenforceable in any action brought for the recovery of moneys owed.

Sec. 5. Minnesota Statutes 1976, Section 256.73, Subdivision 2, is amended to read:

Subd. 2. [ALLOWANCE BARRED BY OWNERSHIP OF PROPERTY.] The ownership by father, mother, child, children, or any combination thereof, of property as follows shall be a bar to any allowance under sections 256.72 to 256.87:

(1) *Net equity in real estate used as a home the market value of which less encumbrances exceeds \$7,500 \$15,000 ; provided that real estate used as a home in excess of this amount will not be a bar to eligibility where the county welfare board determines that such real estate is not available for support of the family or the sale of such real estate would cause undue hardship .*

(2) *Personal property of a reasonable market value in excess of \$300 for a one child recipient or \$500 for more than one child recipient, exclusive of personal property used as the home, one automobile the market value of which does not exceed \$1,650, insurance carried by a parent which does not exceed a cash surrender value of \$500, appropriate clothing and necessary household furniture and equipment, and of such tools, implements, and domestic animals as in the opinion of the county agency it is expedient to retain for the purpose of reducing the expense or increasing the income of the family, and the earnings of a dependent child which are placed in a savings account to be used for a future purpose approved by the county agency in accordance with the rules and regulations of the commissioner of public welfare , and such property that produces a net income applicable to the family's needs ; or*

(3) *Real estate not used as a home , provided that if such real estate does not produce net income sufficient to meet the family budget and there is no available market for the sale of such property, or if the price which can be obtained on the prevailing market is not fair and reasonable considering the applicant's interest therein and the possibilities of sale of said property for a greater amount within a reasonable length of time thereafter then in that event, in the discretion of the county agency, ownership of the same which produces net income applicable to the family's needs or which the family is making a continuing effort to sell at a fair and reasonable price shall not be a bar to an allowance under sections 256.72 to 256.87. Net income shall be the residue after payment from gross income of taxes, insurance, maintenance, and interest on encumbrances, if any, on the property, provided that in computing net income the gross income shall not be charged with any expenses toward betterment of the property as improvements or by payment on the principal of a mortgage; provided, that the net income thus derived shall be applied on the family budget.*

Sec. 6. Minnesota Statutes 1976, Section 256B.06, Subdivision 1, is amended to read:

256B.06 [ELIGIBILITY REQUIREMENTS.] Subdivision 1. Medical assistance may be paid for any person:

(1) Who is eligible for or receiving public assistance under the aid to families with dependent children program; or

(2) Who is eligible for or receiving supplemental security income for the aged, blind and disabled; or

(3) Who except for the amount of income or resources would qualify for supplemental security income for the aged, blind and disabled, or aid to families with dependent children and is in need of medical assistance; or

(4) Who is under 21 years of age and in need of medical care that neither he nor his relatives responsible under sections 256B.01 to 256B.26 are financially able to provide; or

(5) Who is residing in a hospital for treatment of mental disease or tuberculosis and is 65 years of age or older and without means sufficient to pay the per capita hospital charge; and

(6) Who resides in Minnesota, or, if absent from the state, is deemed to be a resident of Minnesota in accordance with the regulations of the state agency; and

(7) Who alone, or together with his spouse, does not have net equity in real property used as a home in excess of \$15,000 \$25,000 or real estate not used as a home which produces net income applicable to the family's needs or which the family is making a continuing effort to sell at a fair and reasonable price. The commissioner of public welfare shall annually adjust the limitation on net equity in real property used as a home by the same percentage as the homestead base value index provided in section 273.122, subdivision 2 ; and

(8) Who, if single, does not have more than \$750 in cash or liquid assets or, if married, whose cash or liquid assets do not exceed \$1,000 plus \$150 for each additional legal dependent except that the value of one automobile the market value of which does not exceed \$1,650 shall be disregarded ; and

(9) Who has or anticipates receiving an annual income not in excess of \$2,600 for a single person, or \$3,250 for two family members (man and wife, parent and child, or two siblings), plus \$625 for each additional legal dependent, or who has income in excess of these maxima and in the month of application, or during the three months prior to the month of application, incurs expenses for medical care that total more than one-half of the annual excess income in accordance with the regulations of the state agency. In excess income cases, eligibility shall be limited to a period of six months beginning with the first of the month in which these medical obligations are first incurred.

(10) Who has continuing monthly expenses for medical care that are more than the amount of his excess income, computed on a monthly basis, in which case eligibility may be established before the total income obligation referred to in the preceding paragraph is incurred, and medical assistance payments may be made to cover the monthly unmet medical need. In licensed nursing home and state hospital cases, both excess income and

income over and above that required for justified needs are , determined pursuant to a schedule of contributions established by the commissioner of public welfare, is to be applied to the cost of institutional care . The commissioner of public welfare may establish a schedule of contributions to be made by the spouse of a nursing home resident to the cost of care and shall seek a waiver from federal regulations which establish the amount required to be contributed by the spouse of a nursing home resident ; and

(10) (11) Who has applied or agrees to apply all proceeds received or receivable by him or his spouse from automobile accident coverage and private health care coverage to the costs of medical care for himself, his spouse, and children. The state agency may require from any applicant or recipient of medical assistance the assignment of any rights accruing under private health care coverage. Any rights or amounts so assigned shall be applied against the cost of medical care paid for under this chapter. Any assignment shall not be effective as to benefits paid or provided under automobile accident coverage and private health care coverage prior to receipt of the assignment by the person or organization providing the benefits.

Sec. 7. Minnesota Statutes 1976, Section 256B.14, is amended to read:

256B.14 [RELATIVE'S RESPONSIBILITY.] *Subject to the provisions of section 256B.06, the financial responsibility of a relative for an applicant or recipient of medical assistance shall not extend beyond the relationship of a spouse, or a parent of an applicant who is under 18 years of age.*

Sec. 8. Minnesota Statutes 1976, Section 256D.11, Subdivision 4, is amended to read:

Subd. 4. A local agency may contract with the federal government, or with any department, agency, subdivision or instrumentality of the state, or with any nonprofit organization approved by the commissioner of public welfare for the services of general assistance work program recipients on such terms and conditions as may be agreed upon, with or without consideration paid to the local agency.

Sec. 9. Minnesota Statutes 1976, Section 256D.37, Subdivision 2, is amended to read:

Subd. 2. The eligibility criteria for supplemental aid under this section shall be those in effect December 31, 1973 for the categorical aid programs of old age assistance, aid to the blind, and aid to the disabled *except that net equity of \$25,000 in one home used as a residence, one automobile the market value of which does not exceed \$1,650, and real estate not used as a home which produces net income applicable to the family's needs or which the family is making a continuing effort to sell at a fair and reasonable price, are to be disregarded in determining eligibility. The commissioner of public welfare shall annually adjust the limitation on net equity in real property used as a home by the same percentage as the homestead base value index provided*

in section 273.122, subdivision 2. The local agency shall apply the relevant criteria to each application. Effective July 1, 1974, the real property equity limitation for applicants other than the blind shall be \$12,000. Effective January 1, 1975, the real property equity limitation for all applicants for supplemental aid under this section shall be \$15,000. The local agency in its discretion may permit eligibility of an applicant having assets in excess of the amount prescribed in this section if liquidation of the assets would cause undue loss or hardship.

Sec. 10. [APPROPRIATION.] Subdivision 1. The sum of \$900,000 is appropriated to the department of public welfare for the biennium ending June 30, 1979 for the payment of qualified nursing home expenses. One half of the money shall be available for the year ending June 30, 1978, and one half of the money shall be available for the year ending June 30, 1979. Notwithstanding the provisions of Minnesota Statutes, Section 16A.28, the money appropriated for the biennium ending June 30, 1979 shall not lapse but shall remain available for payment of qualified nursing home expenses incurred during the biennium.

Subd. 2. There is appropriated from the general fund to the commissioner of public welfare the sum of \$7,100,000 for the biennium ending June 30, 1979 for the purposes of sections 5, 6, 7 and 9."

Further, amend the title by deleting it in its entirety and inserting:

"A bill for an act relating to public welfare; catastrophic health insurance; aid to families with dependent children, medical assistance, supplemental aid, and general assistance; altering eligibility criteria; providing authority for local agencies to contract with nonprofit organizations for work program services; appropriating money; amending Minnesota Statutes 1976, Sections 62E.52, Subdivisions 2 and 5, and by adding a subdivision; 62E.53, Subdivision 2; 256.73, Subdivision 2; 256B.06, Subdivision 1; 256B.14; 256D.11, Subdivision 4; and 256D.37, Subdivision 2."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Linda Berglin, Donald Samuelson and James Rice.

Senate Conferees: (Signed) Steve Keefe, Roger Moe and Nicholas Coleman.

Mr. Keefe S., moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1051 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 1051: A bill for an act relating to public welfare; catastrophic health insurance; aid to families with dependent children, medical assistance, supplemental aid, and general assistance; altering eligibility criteria; providing authority for local agencies to contract with nonprofit organizations for work program services; appro-

appropriating money; amending Minnesota Statutes 1976, Sections 62E.52, Subdivisions 2 and 5 and by adding a subdivision; 62E.53, Subdivision 2; 256.73, Subdivision 2; 256B.06, Subdivision 1; 256B.14; 256D.11, Subdivision 4; and 256D.37, Subdivision 2.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Lessard	Olson	Spear
Ashbach	Gearty	Lewis	Penny	Staples
Bang	Gunderson	Luther	Perpich	Stokowski
Benedict	Hanson	McCutcheon	Peterson	Strand
Bernhagen	Hughes	Menning	Pillsbury	Stumpf
Borden	Humphrey	Merriam	Purfeerst	Tennesen
Brataas	Johnson	Milton	Renneke	Ulland, J.
Chmielewski	Keefe, S.	Moe	Schmitz	Vega
Coleman	Kleinbaum	Nelson	Schrom	Wegener
Davies	Knoll	Nichols	Setzepfandt	Willet
Dieterich	Knutson	Ogdahl	Sikorski	
Dunn	Laufenburger	Olhoff	Sillers	

So the bill, as amended by the Conference Committee, was re-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. 320 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 320: A bill for an act relating to labor; providing for reduction of the tip credit in computing minimum wage; amending Minnesota Statutes 1976, Sections 177.23, Subdivision 9; 177.24; 177.28, Subdivision 4.

H. F. No. 320 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 21, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 320

A bill for an act relating to labor; providing for reduction of the tip credit in computing minimum wage; amending Minnesota Statutes 1976, Sections 177.23, Subdivision 9; 177.24; 177.28, Subdivision 4.

May 20, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 320, 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. 320 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 177.23, Subdivision 9, is amended to read:

Subd. 9. "Gratuities" means ~~voluntary~~ monetary contributions received *directly or indirectly* by an employee from a guest, patron, or customer for services rendered and *includes an obligatory charge assessed to customers, guests or patrons which might reasonably be construed by the guest, customer, or patron as being a payment for personal services rendered by an employee and for which no clear and conspicuous notice is given by the employer to the customer, guest, or patron that the charge is not the property of the employee.*

Sec. 2. Minnesota Statutes 1976, Section 177.24, is amended to read:

177.24 [PAYMENT OF MINIMUM WAGES.] *Subdivision 1. Except as may otherwise be provided in sections 177.21 to 177.35, or by regulation issued pursuant thereto, every employer shall pay to each of his employees who is 18 years of age or older wages at a rate of not less than \$2.10 an hour 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.*

Subd. 2. No employer shall directly or indirectly credit, apply or utilize gratuities towards payment of minimum wages except as provided for under section 177.28.

Subd. 3. For purposes of chapter 177, any gratuity received by an employee or deposited in or about a place of business for personal services rendered by an employee is the sole property of the employee. No employer shall require an employee to contribute or share a gratuity received by the employee with the employer or other employees or to contribute any or all of the gratuity to a fund or pool operated for the benefit of the employer or his employees, provided that nothing in this section shall prevent an employee from voluntarily, and upon an individual basis, sharing his gratuities with other employees. The agreement to share gratuities shall be made by the employees free of any employer participation.

Sec. 3. Minnesota Statutes 1976, Section 177.28, Subdivision 4, is amended to read:

Subd. 4. An employee who receives \$20 \$35 or more per month in gratuities is a tipped employee. His An employer is entitled to a credit in an amount up to 25 20 percent of the minimum wage which a tipped employee receives. Said The credit against the wages due for gratuities received by a tipped employee may not be taken unless at the time the credit is taken the employer has received a signed statement for that pay period from each the tipped employee states stating that he did receive and retain during the that pay period all gratuities received by him in an amount equal to or greater than the credit applied against the wages due by his employer. Such The statements shall be maintained by the employer as a part of his business records.

Sec. 4. *This act is effective September 15, 1977.* "

Further, strike the title and insert

"A bill for an act relating to labor; prohibiting mandatory tip pooling; providing for a change in the application of the tip credit in computing minimum wage; amending Minnesota Statutes 1976, Sections 177.23, Subdivision 9; 177.24; 177.28, Subdivision 4."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Leo J. Reding, Douglas J. St. Onge, John T. Rose

Senate Conferees: (Signed) John Milton, Steve Keefe, Nancy Brataas

Mr. Milton moved that the foregoing recommendations and Conference Committee Report on H. F. No. 320 be now adopted, and that the bill be repassed as amended by the Conference Committee.

Mr. Pillsbury moved that the recommendations and Conference Committee Report on H. F. No. 320 be rejected, and that the bill be returned to the Conference Committee as formerly constituted.

CALL OF THE SENATE

Mr. Milton imposed a call of the Senate. The following Senators answered to their names:

Aahbach	Dunn	Knutson	Ogdahl	Sikoraki
Bang	Engler	Laufenburger	Olhoft	Sillers
Benedict	Frederick	Lessard	Penny	Spear
Bernhagen	Gearty	Luther	Peterson	Staples
Borden	Gunderson	McCutcheon	Pillsbury	Stokowski
Brataas	Hanson	Menning	Punfeerst	Strand
Chmielewski	Humphrey	Merriam	Renneke	Stumpf
Coleman	Johnson	Moe	Schmitz	Ulland, J.
Davies	Keefe, S.	Nelson	Schrom	Vega
Dieterich	Knoll	Nichols	Setzepfandt	Wegener

The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the Pillsbury motion.

The roll was called, and there were yeas 11 and nays 48, as follows:

Those who voted in the affirmative were:

Benedict	Frederick	Knutson	Nichols	Renneke
Bernhagen	Keefe, J.	Lessard	Pillsbury	Schrom
Dunn				

Those who voted in the negative were:

Anderson	Gunderson	Luther	Penny	Stokowski
Bang	Hanson	McCutcheon	Perpich	Strand
Borden	Hughes	Menning	Peterson	Stumpf
Brataas	Humphrey	Merriam	Purfeerst	Tennessee
Chmielewski	Johnson	Milton	Schmitz	Ulland, J.
Coleman	Keefe, S.	Moe	Setzepfandt	Vega
Davies	Kleinbaum	Nelson	Sikorski	Wegener
Dieterich	Knoll	Ogdahl	Sillers	Willet
Engler	Laufenburger	Olhoft	Spear	
Gearty	Lewis	Olson	Staples	

The motion did not prevail.

The question recurred on the Milton motion. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H. F. No. 320: A bill for an act relating to labor; prohibiting mandatory tip pooling; providing for a change in the application of the tip credit in computing minimum wage; amending Minnesota Statutes 1976, Sections 177.23, Subdivision 9; 177.24; 177.28, Subdivision 4.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 52 and nays 6, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Ogdahl	Staples
Ashbach	Gearty	Lessard	Olhoft	Stokowski
Bang	Hanson	Lewis	Olson	Strand
Benedict	Hughes	Luther	Perpich	Stumpf
Bernhagen	Humphrey	McCutcheon	Peterson	Tennessee
Brataas	Johnson	Menning	Purfeerst	Ulland, J.
Chmielewski	Keefe, J.	Merriam	Schmitz	Vega
Coleman	Keefe, S.	Milton	Setzepfandt	Wegener
Davies	Kleinbaum	Moe	Sikorski	
Dieterich	Knoll	Nelson	Sillers	
Dunn	Knutson	Nichols	Spear	

Those who voted in the negative were:

Frederick	Penny	Pillsbury	Renneke	Schrom
Gunderson				

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 recommendation and report of the Conference Committee on House File No. 1030 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 1030: A bill for an act relating to health care plans; requiring minimum anticipated loss ratios for certain insurance plans; eliminating certain open enrollment requirements for non-profit health service plans; revising the Minnesota comprehensive health insurance act of 1976; revising the Minnesota catastrophic health expense protection act of 1976; making necessary improvements and corrections; further prescribing the powers and duties of the commissioner of insurance; further prescribing the powers and duties of the commissioner of public welfare; amending Minnesota Statutes 1976, Chapter 62E, by adding a section; and Sections 62A.02, Subdivision 3; 62A.17, Subdivision 6; 62D.10, Subdivision 1; 62E.02, Subdivisions 2, 8, 11 and 21; 62E.03, Subdivision 2; 62E.04, Subdivision 4, and by adding a subdivision; 62E.06; 62E.08; 62E.09; 62E.10, Subdivisions 1, 3, and 7; 62E.11, Subdivision 5; 62E.13, Subdivisions 2 and 4; 62E.14, Subdivision 1; 62E.53; and 62E.54, Subdivision 1; repealing Minnesota Statutes 1976, Section 62E.16.

House File No. 1030 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 23, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 1030

A bill for an act relating to health care plans; requiring minimum anticipated loss ratios for certain insurance plans; eliminating certain open enrollment requirements for nonprofit health service plans; revising the Minnesota comprehensive health insurance act of 1976; revising the Minnesota catastrophic health expense protection act of 1976; making necessary improvements and corrections; further prescribing the powers and duties of the commissioner of insurance; further prescribing the powers and duties of the commissioner of public welfare; amending Minnesota Statutes 1976, Chapter 62E, by adding a section; and Sections 62A.02, Subdivision 3; 62A.17, Subdivision 6; 62D.10, Subdivision 1; 62E.02, Subdivisions 2, 8, 11 and 21; 62E.03, Subdivision 2; 62E.04, Subdivision 4, and by adding a subdivision; 62E.06; 62E.08; 62E.09; 62E.10, Subdivisions 1, 3, and 7; 62E.11, Subdivision 5; 62E.13, Subdivisions 2 and 4; 62E.14, Subdivision 1; 62E.53; and 62E.54, Subdivision 1; repealing Minnesota Statutes 1976, Section 62E.16.

May 21, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 1030, report that we have agreed upon the items in dispute and recommend as follows:

That H. F. No. 1030 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 62A.02, Subdivision 3, is amended to read:

Subd. 3. [DISAPPROVAL.] The commissioner shall, within 30 days after the filing of any form, disapprove the form:

- (1) if the benefits provided therein are unreasonable in relation to the premium charged;
- (2) if it contains a provision or provisions which are unjust, unfair, inequitable, misleading, deceptive or encourage misrepresentation of the policy; or
- (3) If the proposed premium rate is excessive because the insurer has failed to exercise reasonable cost control.

For the purposes of clause (1), the commissioner shall establish by rule a schedule of minimum anticipated loss ratios which shall be based on (i) the type or types of coverage provided, (ii) whether the policy is for group or individual coverage, and (iii) the size of the group for group policies. Except for individual policies of disability or income protection insurance, the minimum anticipated loss ratio shall not be less than 50 percent after the first year that a policy is in force. All applicants for a policy shall be informed in writing at the time of application of the anticipated loss ratio of the policy. For the purposes of this subdivision, "anticipated loss ratio" means the ratio at the time of form filing or at the time of subsequent rate revision of the present value of all expected future benefits, excluding dividends, to the present value of all expected future premiums. Nothing in this paragraph shall prohibit the commissioner from disapproving a form which meets the requirements of this paragraph but which the commissioner determines still provides benefits which are unreasonable in relation to the benefits charged. The commissioner may until December 31, 1978, exercise emergency power for the purpose of implementing the minimum anticipated loss ratio requirement, and for this purpose may adopt emergency rules as provided in section 15.0412, subdivision 5. Notwithstanding the expiration of the commissioner's emergency power, any emergency rule adopted by him prior to the expiration of his emergency power may remain effective for the periods authorized in section 15.0412, subdivision 5.

If the commissioner notifies an insurer which has filed any form that the form does not comply with the provisions of this section or sections 62A.03 to 62A.05 and section 72A.20, subdivision 1, it shall be unlawful thereafter for the insurer to issue

the form or use it in connection with any policy. In the notice the commissioner shall specify the reasons for his disapproval and state that a hearing will be granted within 20 days after request in writing by the insurer.

Sec. 2. Minnesota Statutes 1976, Section 62A.17, Subdivision 6, is amended to read:

Subd. 6. [CONVERSION TO INDIVIDUAL POLICY.] A group insurance policy that provides post termination coverage as required by this section shall also include a provision allowing a covered employee or surviving spouse or dependent at the expiration of the post termination coverage provided by subdivision 2 to obtain from the insurer offering the group policy or group subscriber contract, at the employee's, spouse's or dependent's option and expense, without further evidence of insurability and without interruption of coverage, an individual policy of insurance or an individual subscriber contract providing coverage which is similar to or greater than the hospital or medical expense protection afforded to the employee, the spouse and his dependents by the group policy or contract at least the minimum benefits of a qualified plan as prescribed by section 62E.06, and the option of a number three qualified plan, a number two qualified plan, and a number one qualified plan as provided by section 62E.06, subdivisions 1 to 3. A policy providing reduced benefits at a reduced premium rate may be accepted by the employee, the spouse or a dependent in lieu of the optional coverage otherwise required by this subdivision.

The individual policy shall be guaranteed renewable at the option of the individual as long as the individual is not covered under another qualified plan as defined in section 62E.02, subdivision 4, up to age 65 or to the day before the date of eligibility for coverage under Title XVIII of the Social Security Act, as amended. Any revisions in the table of rate for the individual policy shall apply to the covered person's original age at entry, and shall apply equally to all similar policies issued by the insurer.

Sec. 3. Minnesota Statutes 1976, Section 62D.10, Subdivision 1, is amended to read:

62D.10 [PROVISIONS APPLICABLE TO ALL HEALTH PLANS.] Subdivision 1. The provisions of this section shall be applicable to nonprofit health service plan corporations regulated under chapter 62C, nonprofit prepaid health care plans regulated under chapter 317, and health maintenance organizations regulated pursuant to sections 62D.01 to 62D.29, all both of which for purposes of this section shall be known as "health plans".

Sec. 4. Minnesota Statutes 1976, Section 62E.02, Subdivision 2, is amended to read:

Subd. 2. "Employer" means any person, partnership, association, trust, estate or corporation, including the state of Minnesota or any agency, instrumentality or governmental subdivision thereof, which employs ten or more individuals who are residents of this state.

Sec. 5. Minnesota Statutes 1976, Section 62E.02, Subdivision 8, is amended to read:

Subd. 8. "Employee" means any Minnesota resident who has entered into the employment of or works under contract or service or apprenticeship with any employer. "Employee" does not include a person who has been employed for less than 30 days by his present employer, nor one who is employed less than an average of 30 hours per week by his present employer, nor an independent contractor.

Sec. 6. Minnesota Statutes 1976, Section 62E.02, Subdivision 11, is amended to read:

Subd. 11. "Accident and health insurance policy" or "policy" means insurance or nonprofit health service plan contracts providing benefits for hospital, surgical and medical care. "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, (4) sold by fraternal and provides designed solely to provide payments on a per diem, daily fixed indemnity or non-expense incurred basis, or (5) credit accident and health insurance issued pursuant to chapter 62B, (6) designed solely to provide dental or vision care, (7) blanket accident and sickness insurance as defined in section 62A.11, or (8) accident only coverage issued by licensed and tested insurance agents or solicitors which provides reasonable benefits in relation to the cost of covered services. The provisions of clause (4) shall not apply to hospital indemnity coverage which is sold by an insurer to an applicant who is not then currently covered by a qualified plan.

Sec. 7. Minnesota Statutes 1976, Section 62E.02, Subdivision 21, is amended to read:

Subd. 21. "Self insurer" means an employer who or an employee welfare benefit fund or plan which directly or indirectly provides a plan of health coverage to his its employees and administers the plan of health coverage himself itself or through an insurer, trust or agent except to the extent of accident and health insurance premium, subscriber contract charges or health maintenance organization contract charges. "Self insurer" does not include an employer engaged in the business of providing health care services to the public who which provides health care services directly to his its employees at no charge to them.

Sec. 8. Minnesota Statutes 1976, Section 62E.03, Subdivision 2, is amended to read:

Subd. 2. In the event that an employer fails to make available at least a number two qualified plan of health benefits to his employees employed in this state comply with subdivision 1, none of the employer's costs for health benefits shall qualify as an income tax deduction pursuant to section 290.09, subdivision 2, clause (a) (1). In the case of an employer who meets the requirements of section 297A.25, subdivision 1, clause (j) or clause (p) if the employer fails to make available at least a number two

qualified plan to his employees, the employer shall lose his status as an exempt organization under section 297A.25, subdivision 1, clause (j) or clause (p), as appropriate.

Sec. 9. Minnesota Statutes 1976, Section 62E.04, Subdivision 4, is amended to read:

Subd. 4. [MAJOR MEDICAL COVERAGE.] Each insurer and fraternal shall ~~include~~ *affirmatively offer* coverage of major medical costs ~~in expenses~~ to every applicant for a new unqualified policy at the time of application and annually to every holder of an unqualified policy of accident and health insurance; ~~unless the applicant for a new or renewal policy declines the coverage in writing.~~ The coverage shall provide that when a covered individual incurs out-of-pocket expenses of \$5,000 or more within a calendar year for services covered in section 62E.06, subdivision 1, benefits shall be payable, subject to any copayment authorized by the commissioner, up to a maximum life-time limit of \$250,000.

Sec. 10. Minnesota Statutes 1976, Section 62E.04, is amended by adding a subdivision to read:

Subd. 8. *No policy of accident and health insurance issued or renewed after August 1, 1977, shall contain any provision denying or reducing benefits because services are rendered to an insured or dependent who is eligible for or receiving benefits pursuant to chapters 256B and 256D, or sections 62E.51 to 62E.55.*

Sec. 11. Minnesota Statutes 1976, Section 62E.06, is amended to read:

62E.06 [BENEFITS OF QUALIFIED PLAN.] Subdivision 1. [MINIMUM BENEFITS.] A plan of health coverage shall be certified as a number three qualified plan if it otherwise meets the requirements established by chapters 62A and 62C, and the other laws of this state, whether or not the policy is issued in Minnesota, and meets or exceeds the following minimum standards:

(a) The minimum benefits for a covered individual shall, subject to the other provisions of this subdivision, be equal to at least 80 percent of the cost of covered services in excess of an annual deductible which does not exceed \$150 per person. The coverage shall include a limitation of \$3,000 per person on total annual out-of-pocket expenses for services covered under this subdivision. The coverage ~~may~~ *shall* be subject to a maximum lifetime benefit of not less than \$250,000.

The \$3,000 limitation on total annual out-of-pocket expenses and the \$250,000 maximum lifetime benefit shall not be subject to change or substitution by use of an actuarially equivalent benefit.

(b) Covered expenses shall be the usual and customary charges for the following services and articles when prescribed by a physician:

(1) Hospital services;

(2) Professional services for the diagnosis or treatment of in-

juries, illnesses, or conditions, other than outpatient mental or dental, which are rendered by a physician or at his direction;

(3) Drugs requiring a physician's prescription;

(4) Services of a nursing home for not more than 120 days in a year if the services commence within 14 days following confinement of at least three days in a hospital for the same condition would qualify as reimbursable services under medicare ;

(5) ~~Service~~ Services of a home health agency up to a maximum of 180 visits per year if the services would qualify as reimbursable services under medicare ;

(6) Use of radium or other radioactive materials;

(7) Oxygen;

(8) Anesthetics;

(9) Prostheses other than dental ;

(10) Rental or purchase, as appropriate, of durable medical equipment other than eyeglasses and hearing aids ;

(11) Diagnostic x-rays and laboratory tests;

(12) Oral surgery for partially or completely unerupted impacted teeth, a tooth root without the extraction of the entire tooth, or the gums and tissues of the mouth when not performed in connection with the extraction or repair of teeth; and

(13) Services of a physical therapist ; and

(14) *Transportation provided by licensed ambulance service to the nearest facility qualified to treat the condition .*

~~(b)~~ (c) Covered expenses for the services and articles specified in this subdivision do not include the following :

(1) Any charge for any care for any injury or disease either (i) arising out of an injury in the course of employment and subject to a worker's compensation or similar law, (ii) for which benefits are payable without regard to fault under coverage statutorily required to be contained in any motor vehicle, or other liability insurance policy or equivalent self-insurance, or (iii) for which benefits are payable under another policy of accident and health insurance or , medicare or any other governmental program except as otherwise provided by law ;

(2) Any charge for treatment for cosmetic purposes other than surgery for the repair of an injury or birth defect;

(3) Any charge for travel other than travel by ambulance to the nearest health care institution qualified to treat the illness or injury Care which is primarily for custodial or domiciliary purposes which would not qualify as eligible services under medicare ;

(4) Any charge for confinement in a private room to the extent it is in excess of the institution's charge for its most common semi-

private room, unless a private room is prescribed as medically necessary by a physician, *provided, however, that if the institution does not have semi-private rooms, its most common semi-private room charge shall be considered to be 90 percent of its lowest private room charge*;

(5) That part of any charge for services or articles rendered or prescribed by a physician, dentist, or other health care personnel which exceeds the prevailing charge in the locality where the service is provided; and

(6) Any charge for services or articles the provision of which is not within the scope of authorized practice of the institution or individual rendering the services or articles.

~~(e)~~ (d) Effective January July 1, 1980, the minimum benefits for a qualified plan shall include, in addition to those benefits specified in ~~clause (a)~~ clauses (a) and (e), benefits for the following services subject to applicable deductibles, coinsurance provisions, and maximum lifetime benefit limitations:

(1) Well baby care;

(2) Physicians' services for routine check-ups and annual physicals when prescribed by a physician; and

(3) Multiphasic screening and other diagnostic testing. The commissioner by rule shall prescribe reasonable limits on the reimbursement required for services listed in this clause.

(e) Effective July 1, 1979, the minimum benefits of a qualified plan shall include, in addition to those benefits specified in clause (a), a second opinion from a physician on all surgical procedures expected to cost a total of \$500 or more in physician, laboratory and hospital fees, provided that the coverage need not include the repetition of any diagnostic tests.

Subd. 2. [NUMBER TWO PLAN.] A plan of health coverage shall be certified as a number two qualified plan if it meets the requirements established by the laws of this state and provides for payment of 80 percent of the covered expenses required by this section in excess of a deductible which does subdivision 1 except that the deductible shall not exceed \$500 per person.

Subd. 3. [NUMBER ONE PLAN.] A plan of health coverage shall be certified as a number one qualified plan if it meets the requirements established by the laws of this state and provides for payment of 80 percent of the covered expenses required by this section in excess of a deductible which does subdivision 1 except that the deductible shall not exceed \$1,000 per person.

Subd. 4. [HEALTH MAINTENANCE PLANS.] A health maintenance organization which provides the services required by chapter 62D shall be deemed to be providing a number three qualified plan.

Sec. 12. Minnesota Statutes 1976, Section 62E.08, is amended to read:

62E.08 [STATE PLAN PREMIUM.] Subdivision 1. For the first ~~year~~ *eighteen months* of operation of the comprehensive health insurance plan the association shall establish the following premiums to be charged for membership in the comprehensive health insurance plan:

(a) The premium for the number one qualified plan shall be the average of rates charged by the five insurers with the largest number of individuals in a number one individual qualified plan of insurance in force in Minnesota;

(b) The premium for the number two qualified plan shall be the average of rates charged by the five insurers with the largest number of individuals in a number two individual qualified plan of insurance in force in Minnesota;

(c) The premium for a qualified medicare supplement plan shall be the average of rates charged by the five insurers with the largest number of individuals enrolled in a qualified medicare supplement plan; and

(d) The charge for health maintenance organization coverage shall be based on generally accepted actuarial principles.

Subd. 2. For the second and subsequent years *enrollees or renewals of membership*, the schedule of premiums for membership in the comprehensive health insurance plan shall be designed to be self-supporting and based on generally accepted actuarial principles.

Sec. 13. Minnesota Statutes 1976, Section 62E.09, is amended to read:

62E.09 [DUTIES OF COMMISSIONER.] The commissioner may:

(a) Formulate general policies to advance the purposes of sections 62E.01 to 62E.17; ~~the commissioner may also adopt, promulgate, repeal, and amend rules pursuant to the rule making provisions of chapter 15, to carry out the provisions of sections 62E.01 to 62E.17;~~

(b) Supervise the creation of the Minnesota comprehensive health association within the limits described in section 62E.10;

(c) Approve the selection of the writing carrier by the association and approve the association's contract with the writing carrier including the state plan coverage and premiums to be charged;

(d) Appoint advisory committees;

(e) Conduct periodic audits to assure the general accuracy of the financial data submitted by the writing carrier and the association;

(f) Contract with the federal government or any other unit of government to ensure coordination of the state plan with other governmental assistance programs;

(g) Undertake directly or through contracts with other per-

sons studies or demonstration programs to develop awareness of the benefits of sections 62E.01 to 62E.17, so that the residents of this state may best avail themselves of the health care benefits provided by these sections; and

(h) Contract with insurers and others for administrative services ; and

(i) *Adopt, amend, suspend and repeal rules as reasonably necessary to carry out and make effective the provisions and purposes of sections 62E.01 to 62E.17. The commissioner may until December 31, 1978 adopt emergency rules .*

Sec. 14. Minnesota Statutes 1976, Section 62E.10, Subdivision 1, is amended to read:

62E.10 [COMPREHENSIVE HEALTH ASSOCIATION.] Subdivision 1. [CREATION; TAX EXEMPTION.] There is established a comprehensive health association *to promote the public health and welfare of the state of Minnesota* with membership consisting of all insurers, self insurers, fraternal and health maintenance organizations licensed or authorized to do business in this state. *The comprehensive health association shall be exempt from taxation under the laws of this state and all property owned by the association shall be exempt from taxation.*

Sec. 15. Minnesota Statutes 1976, Section 62E.10, Subdivision 3, is amended to read:

Subd. 3. [MANDATORY MEMBERSHIP.] All members shall maintain their membership in the association as a condition of doing *accident and health insurance, self-insurance, or health maintenance organization* business in this state. The association shall submit bylaws and operating rules to the commissioner for approval.

Sec. 16. Minnesota Statutes 1976, Section 62E.10, Subdivision 7, is amended to read:

Subd. 7. [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 sections 62E.04 and 62E.16 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:

- (1) Individual qualified plans, excluding group conversions;
- (2) Group conversions;
- (3) Group qualified plans with fewer than 50 employees or members; and
- (4) Major medical coverage.

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. *A member electing to reinsure risks of a category of coverage shall enter into a contract with the association establishing a reinsurance plan for the risks. This contract may include provision for the pooling of members' risks reinsured through the association and it may provide for assessment of each member reinsuring risks for losses and operating and administrative expenses incurred, or estimated to be incurred in the operation of the reinsurance plan. This reinsurance plan shall be approved by the commissioner before it is effective.* 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 percent 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). Each member electing to reinsure one or more categories of coverage in the association may elect to have the association administer the categories of coverage on the member's behalf. If a member elects to have the association administer the categories of coverage, 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 by the association for the administration.

Sec. 17. Minnesota Statutes 1976, Section 62E.11, Subdivision 5, is amended to read:

Subd. 5. Each member of the association shall share the losses due to claims expenses of the comprehensive health insurance plan for plans issued or approved for issuance by the association, and shall share in the operating and administrative expenses incurred or estimated to be incurred by the association incident to the conduct of its affairs, pursuant to the terms of the individual reinsurance contracts executed by the association with each member in accordance with section 62E.10, subdivision 5. Deviations in the claim experience of the state plan from the premium payments allocated to the payment of benefits shall be the liability of the association members. Association members shall share in the excess costs claims expense of the state plan and operating and administrative expenses of the association in an amount equal to the ratio of the member's total cost of self insurance, accident and health insurance premium, subscriber contract charges,

or health maintenance organization contract charges received from or on behalf of Minnesota residents as divided into the total cost of self insurance, accident and health insurance premium, subscriber contract charges, and health maintenance organization contract charges received by all association members from or on behalf of Minnesota residents, as determined by the commissioner. The reinsurance contract shall provide for a ~~retroactive~~ *an annual determination and assessment* of each member's liability ~~and~~, *if any*. *Payment of the assessment shall be due within 30 days after each renewal date of the reinsurance contract the end of the association's fiscal year. Subject to the approval of the commissioner, the reinsurance contract may provide for interim assessments as may be necessary to assure the financial capability of the association in meeting the incurred or estimated claims expenses of the state plan and operating and administrative expenses of the association until the association's next annual fiscal year end assessment.* Failure by a member to tender to the association the assessed reinsurance payment within 30 days of notification by the association shall be grounds for termination of the member's membership.

Net gains, if any, from the operation of the state plan shall be held at interest and used by the association to offset future losses due to claims expenses of the state plan or allocated to reduce state plan premiums.

Sec. 18. Minnesota Statutes 1976, Section 62E.13, Subdivision 2, is amended to read:

Subd. 2. Upon the commissioner's approval of the policy forms and contracts submitted pursuant to ~~section 62A.10~~ *chapter 62A*, the association shall *may* select policies and contracts submitted by a member or members of the association to be the comprehensive health insurance plan. This selection shall be based upon criteria including the member's proven ability to handle large group accident and health insurance cases, efficient claim paying capacity, and the estimate of total charges for administering the plan. The association may select separate writing carriers for the two types of qualified plans, the qualified medicare supplement plan, and the health maintenance organization contract.

Sec. 19. Minnesota Statutes 1976, Section 62E.13, Subdivision 4, is amended to read:

Subd. 4. The writing carrier shall provide to all eligible persons enrolled in the plan an individual *policy or certificate*, setting forth a statement as to the insurance protection to which he is entitled, with whom claims are to be filed and to whom benefits are payable. The *policy or certificate* shall indicate that coverage was obtained through the association.

Sec. 20. Minnesota Statutes 1976, Section 62E.14, Subdivision 1, is amended to read:

62E.14 [ENROLLMENT BY AN ELIGIBLE PERSON.] Subdivision 1. [CERTIFICATE, CONTENTS.] The comprehensive health insurance plan shall be open for enrollment by eligible

persons. An eligible person may enroll by submission of a certificate of eligibility to the writing carrier. The certificate shall may provide the following:

(a) Name, address, age, and length of time at residence of the applicant;

(b) Name, address, and age of spouse and children if any, if they are to be insured;

(c) Evidence of rejection, or a requirement of restrictive riders, or a pre-existing conditions limitation on a qualified plan, the effect of which is to substantially reduce coverage from that received by a person considered a standard risk, by at least two association members within 6 months of the date of the certificate; and

(d) A designation of the coverage desired.

An eligible person may not purchase more than one policy from the state plan.

Sec. 21. Minnesota Statutes 1976, Section 62E.53, is amended to read:

62E.53 [APPLICATION FOR ASSISTANCE.] Subdivision 1. Any person who believes that they are he is or will become an eligible person may submit an application for state assistance to the commissioner. The application shall include a listing of expenses incurred prior to the date of the application and shall designate the date on which the 12 month period for computing expenses began.

Subd. 2. If the commissioner determines that an applicant is an eligible person, he shall pay 90 percent of all qualified expenses of the eligible person and his dependents in excess of:

(a) 40 percent of his household income under \$15,000, plus 50 percent of his household income between \$15,000 and \$25,000, plus 60 percent of his household income in excess of \$25,000; or

(b) \$2,500;

whichever is greater for the 12 month period in which the applicant becomes an eligible person.

Subd. 3. The commissioner shall by rule establish procedures for determining whether and to what extent qualified expenses are reasonable charges. Unless otherwise provided for by rule charges shall be reviewed for reasonableness by the same procedures used to review and limit reimbursement under the provisions of chapter 256B. If the commissioner determines that the charge for a health service is excessive, he may limit his payment to the usual and customary reasonable charge for that service. If the commissioner determines that a health service provided to an eligible person was not medically necessary, he may refuse to pay for the service. To the extent feasible, The commissioner shall may contract with a review organization as defined in section 145.61, in making any determinations as to whether or not a

charge is excessive. To the extent feasible, the commissioner shall contract with a review organization as defined in section 145.51, and in making any determination as to whether or not a service was medically necessary. If the commissioner in accordance with this section refuses to pay all or a part of the charge for a health service, the unpaid portion of the charge shall be deemed to be an unconscionable fee, against the public policy of this state, and unenforceable in any action brought for the recovery of moneys owed.

Sec. 22. Minnesota Statutes 1976, Chapter 62E, is amended by adding a section to read:

[62E.531] [THIRD PARTY LIABILITY.] *Subdivision 1. When the commissioner pays for or becomes liable for payments for health services under the provisions of sections 62E.51 to 62E.55, the department of public welfare shall have a lien for payments and liabilities for the services upon any and all causes of action which accrue to the person to whom the services were furnished, or to his legal representatives, as a result of injuries which directly or indirectly led to the incurring of qualified expenses.*

The department may perfect and enforce its lien by following the procedures set forth in sections 514.69, 514.70, and 514.71, except that it shall have one year from the date when the last item of health service was furnished in which to file its verified lien statement. The statement shall be filed with the appropriate clerk of court in the county in which the recipient of the services resides or in the county in which the action was filed.

Subd. 2. Where a third party may be liable in whole or in part for payment for health services, the commissioner may consider the charges for the health services to be qualified expenses if the eligible person assigns any rights accruing by virtue of any third party liability to the commissioner to the extent necessary to reimburse the state for any payments made under the provisions of this section.

Subd. 3. Upon furnishing assistance under the provisions of sections 62E.51 to 62E.55, the department of public welfare shall be subrogated, to the extent of its payments for health services, to any rights the eligible person or his dependent may have under the terms of any plan of health coverage as defined in section 62E.02, subdivision 9. The right of subrogation shall not attach prior to written notice of the exercise of subrogation rights to the issuer of the plan of health coverage.

The attorney general, or the appropriate county attorney, acting upon direction from the attorney general, may institute or join a civil action against the issuer of the plan of health coverage to recover under this subdivision.

Sec. 23. Minnesota Statutes 1976, Section 62E.54, Subdivision 1, is amended to read:

62E.54 [DUTIES OF COMMISSIONER.] *Subdivision 1. The commissioner shall:*

(a) Promulgate reasonable rules, including emergency rules, to implement sections 62E.51 to 62E.55.

(b) Establish application forms and procedures for the use of persons seeking to be declared an eligible person; and

(c) Investigate applications to determine whether or not the applicant is a qualified person and investigate claims from providers of health services to determine whether or not to pay them.

Sec. 24. [EFFECTIVE DATE.] *This act is effective the day following its final enactment except for section 1 which is effective on July 1, 1978.*"

Further, strike the title and insert:

"A bill for an act relating to health care plans; requiring minimum anticipated loss ratios for certain insurance plans; eliminating certain open enrollment requirements for nonprofit health service plans; revising the Minnesota comprehensive health insurance act of 1976; revising the Minnesota catastrophic health expense protection act of 1976; making necessary improvements and corrections; further prescribing the powers and duties of the commissioner of insurance; further prescribing the powers and duties of the commissioner of public welfare; providing a limitation on medical assistance; amending Minnesota Statutes 1976, Chapter 62E, by adding a section; and Sections 62A.02, Subdivision 3; 62A.17, Subdivision 6; 62D.10, Subdivision 1; 62E.02, Subdivisions 2, 8, 11 and 21; 62E.03, Subdivision 2; 62E.04, Subdivision 4, and by adding a subdivision; 62E.06; 62E.08; 62E.09; 62E.10, Subdivisions 1, 3, and 7; 62E.11, Subdivision 5; 62E.13, Subdivisions 2 and 4; 62E.14, Subdivision 1; 62E.53; and 62E.54, Subdivision 1."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) James Swanson, Lyndon Carlson and Bernard Brinkman.

Senate Conferees: (Signed) Gerry Sikorski, John Milton and William G. Kirchner.

Mr. Sikorski moved that the foregoing recommendations and Conference Committee Report on H. F. No. 1030 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. 1030: A bill for an act relating to health care plans; requiring minimum anticipated loss ratios for certain insurance plans; eliminating certain open enrollment requirements for nonprofit health service plans; revising the Minnesota comprehensive health insurance act of 1976; revising the Minnesota catastrophic health expense protection act of 1976; making necessary improvements and corrections; further prescribing the powers and duties of the commissioner of insurance; further prescribing the powers and duties of the commissioner of public welfare; providing a limitation on medical assistance; amending Minnesota Statutes 1976, Chapter 62E, by adding a section; and Sections 62A.02, Subdivi-

sion 3; 62A.17, Subdivision 6; 62D.10, Subdivision 1; 62E.02, Subdivisions 2, 8, 11 and 21; 62E.03, Subdivision 2; 62E.04, Subdivision 4, and by adding a subdivision; 62E.06; 62E.08; 62E.09; 62E.10, Subdivisions 1, 3, and 7; 62E.11, Subdivision 5; 62E.13, Subdivisions 2 and 4; 62E.14, Subdivision 1; 62E.53; and 62E.54, Subdivision 1.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 45 and nays 9, as follows:

Those who voted in the affirmative were:

Anderson	Hanson	Lewis	Olhoff	Spear
Benedict	Hughes	Luther	Olson	Staples
Bernhagen	Humphrey	McCutcheon	Perpich	Stokowski
Chmielewski	Johnson	Menning	Peterson	Strand
Coleman	Keefe, J.	Merriam	Purfeerst	Stumpf
Davies	Kleinbaum	Moe	Schmitz	Tennessee
Dieterich	Knoll	Nelson	Schrom	Ulland, J.
Dunn	Knutson	Nichols	Setzpfandt	Vega
Gearty	Lessard	Ogdahl	Sikorski	Willet

Those who voted in the negative were:

Ashbach	Brataas	Frederick	Laufenburger	Renneke
Bang	Engler	Gunderson	Penny	

So the bill, as amended by the Conference Committee, was re-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. 586 and re-passed said bill in accordance with the report of the Committee, so adopted:

H. F. No. 586: A bill for an act relating to taxation; information contained in tax returns; amending Minnesota Statutes 1976, Section 290.081; 290.61; and 290A.17.

House File No. 586 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 23, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 586

A bill for an act relating to taxation; information contained in tax returns; amending Minnesota Statutes 1976, Sections 290.081; 290.61; and 290A.17.

May 23, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 586 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H. F. No. 586 be amended as follows:

Page 4, line 12, delete "*The commissioner shall first*" and insert "*Prior to the release of any information under the provisions of this section, the person to whom the information is to be released shall sign an agreement which provides that he will protect the confidentiality of the returns and information revealed thereby to the extent that it is protected under the laws of the state of Minnesota.*"

Page 4, delete lines 13, 14 and 15

Page 5, line 2, after "therein" insert a new period and strike "and if the"

Page 5, line 5, delete the underlined language and insert "*Prior to the release of any information to any official of the United States or any other state under the provisions of this section, the person to whom the information is to be released shall sign an agreement which provides that he will protect the confidentiality of the returns and information revealed thereby to the extent that it is protected under the laws of the state of Minnesota.*"

Page 5, delete line 6

Page 5, line 7, delete the new language and strike "provided by our laws."

Page 5, delete lines 18 to 23 and insert "*thereof. Upon request of a majority of the members of the senate tax committee or of the house tax committee or the tax study commission, the commissioner shall furnish abstracted financial information to those committees for research purposes from returns or reports filed pursuant to this chapter, provided that he shall not disclose the name, address, social security number, business identification number or any other item of information associated with any return or report which the commissioner believes is likely to identify the taxpayer. The commissioner shall not furnish the actual return, or a portion thereof, or a reproduction or copy of any return or portion thereof. "Abstracted financial information" means only the dollar amounts set forth on each line on the form including the filing status.*"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) William N. Kelly, Wesley Skoglund and Henry Savelkoul.

Senate Conferees: (Signed) Bill McCutcheon, Gene Merriam and Ron Sieloff.

Mr. McCutcheon moved that the foregoing recommendations and Conference Committee Report on H. F. No. 586 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. 586: A bill for an act relating to taxation; information contained in tax returns; amending Minnesota Statutes 1976, Section 290.081; 290.61; and 290A.17.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Laufenburger	Olhoff	Sikorski
Ashbach	Gearty	Lessard	Olson	Spear
Bang	Gunderson	Lewis	Penny	Staples
Benedict	Hanson	Luther	Perpich	Stokowski
Bernhagen	Hughes	McCutcheon	Peterson	Strand
Brataas	Humphrey	Menning	Pillsbury	Stumpf
Chmielewski	Johnson	Merriam	Purfeerst	Ulland, J.
Davies	Keefe, J.	Moe	Renneke	Vega
Dieterich	Kleinbaum	Nelson	Schmitz	Willet
Dunn	Knoll	Nichols	Schrom	
Engler	Knutson	Ogdahl	Setzepfandt	

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 recommendation and report of the Conference Committee on House File No. 315 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 315: A bill for an act relating to state government; state zoological board; providing for a member designated by the Dakota county board; amending Minnesota Statutes 1976, Section 85A.01, Subdivision 1.

House File No. 315 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 23, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 315

A bill for an act relating to state government; state zoological

board; providing for a member designated by the Dakota county board; amending Minnesota Statutes 1976, Section 85A.01, Subdivision 1.

May 21, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 315, 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. 315 be further amended as follows:

Page 1, lines 17, 18 and 19, delete the new language and insert "*In consultation with the Dakota county board the governor shall appoint as a twelfth member of the zoo board a resident of Dakota county who shall not vote and who may be a member of the county board.*"

Amend the title as follows:

Line 3, delete "designated by the" and insert "residing in"

Line 4, delete "board"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Ray Kempe, Gordon Voss, Shirley Hokanson.

Senate Conferees: (Signed) Conrad M. Vega, Clarence M. Purfeerst.

Mr. Vega moved that the foregoing recommendations and Conference Committee Report on H. F. No. 315 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. 315: A bill for an act relating to state government; state zoological board; providing for a member residing in Dakota county; amending Minnesota Statutes 1976, Section 85A.01, Subdivision 1.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 49 and nays 7, as follows:

Those who voted in the affirmative were:

Anderson	Gearty	Laufenburger	Olhoff	Sillers
Bang	Gunderson	Lessard	Olson	Solon
Benedict	Hanson	Lewis	Penny	Spear
Bernhagen	Hughes	Luther	Perpich	Staples
Brataas	Humphrey	McCutcheon	Peterson	Stokowski
Chmielewski	Johnson	Menning	Purfeerst	Strand
Coleman	Keefe, J.	Moe	Renneke	Stumpf
Dieterich	Kleinbaum	Nelson	Schmitz	Vega
Engler	Knoll	Nichols	Setzepfandt	Willet
Frederick	Knutson	Ogdahl	Sikoraki	

Those who voted in the negative were:

Ashbach	Dunn	Pillsbury	Schrom	Ulland, J.
Davies	Merriam			

So the bill, as amended by the Conference Committee, was re-passed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Willet moved that S. F. No. 1165 be taken from the table and re-referred to the Committee on Agriculture and Natural Resources. The motion prevailed.

Mr. Willet moved that S. F. No. 665, No. 3 on General Orders, be stricken and re-referred to the Committee on Agriculture and Natural Resources. The motion prevailed.

Mr. Wegener moved that his name be stricken as co-author to S. F. No. 1165. The motion prevailed.

RECESS

Mr. Coleman moved that the Senate do now recess until 12:45 o'clock p.m. The motion prevailed.

The hour of 12:45 o'clock p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

Mr. Coleman imposed a call of the Senate. The following Senators answered to their names:

Anderson	Davies	Johnson	Menriam	Spear
Bang	Dieterich	Kleinbaum	Milton	Stumpf
Benedict	Engler	Laufenburger	Ogdahl	Tennessee
Bernhagen	Frederick	Lessard	Olhoff	Vega
Borden	Gearty	Lewis	Penny	Willet
Chmielewski	Gunderson	Luther	Pillsbury	
Coleman	Hughes	Menning	Purfeerst	

The Sergeant at Arms was instructed to bring in the absent members.

Without objection, the Senate reverted to the Order of Business of Messages From the House.

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 House File No. 550 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 550: A bill for an act relating to the operation of government; providing for aids to education, tax levies, and the distribution of tax revenues; providing additional aids and levies for school districts with declining enrollment; eliminating foundation aid for summer programs for non-handicapped children; changing the method of distributing the agricultural tax credit; eliminating state aid for community education; establishing formulas for current funding of adult and secondary vocational education; creating a legislative school finance study commission; providing special retirement privileges for experienced teachers who teach part time or take an extended leave of absence; appropriating money; amending Minnesota Statutes 1976, Sections 120.10, Subdivision 1; 120.17, Subdivisions 1a and 5a; 121.11, Subdivision 5; 121.902; 121.914, Subdivisions 1, 2, 3 and 4; 121.917, Subdivisions 1 and 2; 123.335, Subdivision 2; 123.39, Subdivision 5; 123.351, Subdivision 5; 123.581, Subdivisions 1, 2, 3 and 6; 123.71, Subdivisions 1 and 2; 123.742, Subdivision 1; 124.11; 124.14, Subdivision 1; 124.17, Subdivisions 1, 2, and by adding a subdivision; 124.19, Subdivision 1; 124.20; 124.212, Subdivision 1, 3a, 6b, 7b and 8a, and by adding a subdivision; 124.213; 124.222, Subdivisions 1a, 1b, 2a, 3, 6, and by adding a subdivision; 124.223; 124.26, Subdivisions 1 and 4; 124.271, Subdivisions 2 and 5; 124.30, Subdivision 5; 124.32; 124.38, Subdivision 7; 124.562, Subdivision 1; 124.565, Subdivisions 1 and 3; 124.57; 124.572; 124.573; 128A.02, Subdivisions 2 and 3; 128A.06; 273.132; 273.138, Subdivision 3; 275.125, Subdivisions 2a, 8, 9, 9a, and 13; and 475.61, Subdivision 4; amending Minnesota Statutes 1976, Chapter 136A, by adding a section; Chapter 354, by adding sections and Chapter 354A, by adding sections; amending Laws 1967, Chapter 822, Section 7, as amended; Laws 1969, Chapter 775, Section 4, Subdivision 2, as amended; Laws 1969, Chapter 1060, Section 7, as amended; and Laws 1976, Chapter 271, Section 94; repealing Minnesota Statutes 1976, Sections 124.215, Subdivision 2a; 124.222, Subdivisions 4 and 5; 124.25; 124.271, Subdivisions 1, 2, 3, 4 and 5; and 124.30; 124.562, Subdivision 6; 124.563, Subdivision 4; 124.565; Subdivision 2; 124.57, Subdivisions 1 and 3, as added; 473.633; and 473.635.

House File No. 550 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 23, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 550

A bill for an act relating to the operation of government; providing for aids to education, tax levies, and the distribution of tax

revenues; providing additional aids and levies for school districts with declining enrollment; eliminating foundation aid for summer programs for non-handicapped children; changing the method of distributing the agricultural tax credit; eliminating state aid for community education; establishing formulas for current funding of adult and secondary vocational education; creating a legislative school finance study commission; providing special retirement privileges for experienced teachers who teach part time or take an extended leave of absence; appropriating money; amending Minnesota Statutes 1976, Sections 120.10, Subdivision 1; 120.17, Subdivisions 1a and 5a; 121.11, Subdivision 5; 121.902; 121.914, Subdivisions 1, 2, 3 and 4; 121.917, Subdivisions 1 and 2; 123.335, Subdivision 2; 123.39, Subdivision 5; 123.351, Subdivision 5; 123.581, Subdivisions 1, 2, 3 and 6; 123.71, Subdivisions 1 and 2; 123.742, Subdivision 1; 124.11; 124.14, Subdivision 1; 124.17, Subdivisions 1, 2, and by adding a subdivision; 124.19, Subdivision 1; 124.20; 124.212, Subdivisions 1, 3a, 6b, 7b and 8a, and by adding a subdivision; 124.213; 124.222, Subdivisions 1a, 1b, 2a, 3, 6, and by adding a subdivision; 124.223; 124.26, Subdivisions 1 and 4; 124.271, Subdivisions 2 and 5; 124.30, Subdivision 5; 124.32; 124.38, Subdivision 7; 124.562, Subdivision 1; 124.565, Subdivisions 1 and 3; 124.57; 124.572; 124.573; 128A.02, Subdivisions 2 and 3; 128A.06; 273.132; 273.138, Subdivision 3; 275.125, Subdivisions 2a, 8, 9, 9a, and 13; and 475.61, Subdivision 4; amending Minnesota Statutes 1976, Chapter 136A, by adding a section; Chapter 354, by adding sections and Chapter 354A, by adding sections; amending Laws 1967, Chapter 822, Section 7, as amended; Laws 1969, Chapter 775, Section 4, Subdivision 2, as amended; Laws 1969, Chapter 1060, Section 7, as amended; and Laws 1976, Chapter 271, Section 94; repealing Minnesota Statutes 1976, Sections 124.215, Subdivision 2a; 124.222, Subdivisions 4 and 5; 124.25; 124.271, Subdivisions 1, 2, 3, 4 and 5; 124.30; 124.562, Subdivision 6; 124.563, Subdivision 4; 124.565, Subdivision 2; 124.57, Subdivisions 1 and 3, as added; 473.633; and 473.635.

May 21, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 550 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. 550 be amended as follows:

Strike everything after the enacting clause and insert:

"ARTICLE I

FOUNDATION AID PROGRAM

Section 1. Minnesota Statutes 1976, Section 123.39, Subdivision 5, is amended to read:

Subd. 5. The board may provide for the admission to the schools of the district, of non-resident pupils, and those above school age, and fix the rates of tuition for such pupils.

Subd. 5a. In case a person owns land and pays the taxes thereon, in a district other than the one in which he resides, then such person or his tenant shall be admitted to all the benefits of said school the same as residents therein, in respect to elementary pupils upon conforming to such reasonable terms for tuition and transportation as the board of education of such school district may have established for non-residents, except that he shall be entitled to have the amount of school taxes which he pays to the support of said district applied in payment of said tuition and transportation fees. In the payment of state aid *this case*, the district in which the pupil attends shall be considered the district of his residence because of the provisions of this subdivision in the payment of state aid.

Sec. 2. Minnesota Statutes 1976, Section 124.11, is amended to read:

124.11 [DATES OF AID PAYMENTS.] *Subdivision 1.* Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program and except as provided in subdivision 5, ten percent of the estimated elementary and secondary foundation aids shall be paid to districts in each of the months other than October from September August through May based upon information available and the final distribution shall be made in October of the following August school year.

Subd. 2. Estimated post-secondary vocational foundation aid shall be paid to districts in 12 equal monthly payments beginning July 15, 1976. The estimated post-secondary vocational foundation aid shall be paid on the basis of the prior year's average daily membership except that the average daily membership and the payments based thereon may be adjusted in September, December, March and June to reflect any increases or decreases in enrollment. The September payment in each fiscal year shall be increased or decreased to reflect any deficit or excess in post-secondary vocational foundation aid received in the prior fiscal year.

Subd. 3. If any school district is unable to borrow necessary funds for the operation of its facilities during any fiscal year, due to legal borrowing restrictions or the lack of reasonable credit facilities, the commissioner of finance and state treasurer may, upon certification of such conditions by the commissioner of administration, advance such education aids as may be required to such district, with the condition that such aids be discounted by an amount equal to six percent or the current yield on U.S. treasury bills on the date of such payment to a maturity approximating the date on which aids are to be paid, whichever rate is higher, pursuant to the terms of this section. The amount of such discount shall be determined by the commissioner of finance, with the six percent discount or the "bid" price quoted on treasury bills of an appropriate maturity calculated after consultation with the staff of the state board of investment.

Subd. 4. Estimated elementary and secondary foundation aids shall be paid out on the basis of the prior year's pupil unit enrollment unless the October 1 enrollment is larger, in which case the latest available information. Estimated elementary and secondary foundation aids shall be computed on the basis of all pupil units identified in section 124.17, subdivision 1. An October enrollment count shall be used obtained from all school districts. Adjustment for final elementary and secondary final pupil unit figures shall be made in the August payment of aids final foundation aid distribution in October of the following school year.

Subd. 5. Each year, beginning in 1978, based on current year tax data reported in the abstracts of tax lists, the commissioner of revenue shall determine the distribution to each school district of the amount of revenue lost as a result of the reduction in property taxes provided in section 273.132. On or before July 15, 1978, and on or before July 15 of each year thereafter, the commissioner of revenue shall certify the amounts so determined to the department of education. Beginning in 1978, the department of education shall pay each school district one-half of its distribution in August and the remaining one-half in the following November, as part of the foundation aid payment to each district in those months.

Sec. 3. Minnesota Statutes 1976, Section 124.14, Subdivision 2, is amended to read:

Subd. 2. Such moneys as are necessary to make the distribution of the school aids annually are hereby appropriated from the funds or accounts in the state treasury authorized by law for such purposes. There is annually appropriated from the general fund to the department of education the amounts necessary for foundation aid and transportation aid. These amounts shall be reduced by the amount of any funds specifically appropriated for the same purpose in any year from any state fund.

Sec. 4. Minnesota Statutes 1976, Section 124.17, Subdivision 1, is amended to read:

124.17 [DEFINITION OF PUPIL UNITS.] Subdivision 1. Pupil units for each resident pupil in average daily membership shall be counted as follows:

(1) In an elementary school, for kindergarten and for handicapped pre-kindergarten pupils as defined in section 120.03, and enrolled in one-half day sessions throughout the school year or the equivalent thereof, approved by the commissioner of education, one-half pupil unit and other elementary pupils, one pupil unit.

(2) In secondary schools, one and four-tenths pupil units. Pupils enrolled in the seventh and eighth grades of any school shall be counted as secondary pupils.

~~(3) In area vocational technical schools one and one-half pupil units. This clause shall expire June 30, 1976.~~

(4) To meet the problems of educational overburden caused by broken homes, poverty and low income, each pupil in clauses (1) and (2) from families receiving aid to families with dependent

children or its successor program *who is enrolled in the school district on October 1* shall be counted as an additional five-tenths pupil unit. By *May March 1* of each year the department of public welfare is directed to furnish shall certify to the department of education, and to each school district to the extent the information pertains to it, that information concerning children from families with dependent children *who were enrolled in the school district on the preceding October 1* which is necessary to calculate pupil units. Additional aids to a district for such pupils may be distributed on a delayed basis until the department of education publicly certifies that the information needed for paying such aids is available on such a timely basis that such aids may be paid concurrently with other foundation aids.

(5) In every district where the number of pupils from families receiving aid to families with dependent children or its successor program exceeds five percent of the total actual pupil units in the district for the same year, as computed in clauses (1) and (2), each such pupil shall be counted as an additional one-tenth of a pupil unit for each percent of concentration over five percent of such pupils in the district. The percent of concentration shall be rounded down to the nearest whole percent for purposes of this clause, provided that in districts where the percent of concentration is less than six, no additional pupil units shall be counted under this clause for pupils from families receiving aid to dependent children or its successor program and provided further that no such pupil shall be counted as more than one and one-tenth additional pupil units pursuant to clauses (4) and (5). Such weighting shall be in addition to the weighting provided in clauses (1), (2), (3), and (4). School districts are encouraged to allocate a major portion of the aids that they receive on account of clauses (4) and (5) to primary grade programs and services, particularly to programs and services that involve participation of parents. Each district receiving aids on account of both clauses (4) and (5) shall establish and maintain accounts separate from all other district accounts for the receipt and disbursement of all such aids received.

(6) Where the total pupil units of a district are used as a multiplier in determining foundation aids and spending and levy limitations and where the actual number of pupil units has decreased from the prior year, the number of pupil units shall equal *the greater of (a) the average of actual pupil units in the district for the two prior years and the current years in a district with boundaries coterminous with the boundaries of a city of the first class and shall be year or (b) the number of actual pupil units for the current year increased by .6 times the difference between the actual pupil units for the two years in any other district prior year and the current year*. Only pupil units as computed in clauses (1) and (2) shall be included for purposes of computations made pursuant to this clause.

(7) In districts maintaining classified secondary schools where the actual number of pupil units has increased from the prior year by two percent or more, the additional pupil units over the prior year, as computed in clauses (1) and (2), shall be multiplied times

one-tenth for each percent of increase over the prior year and a number of pupil units equal to the product shall be added to the other units for the district. The percent of increase shall be rounded up to the next whole percent for purposes of this clause, provided that in districts where the percent of increase is less than two, no additional pupil units shall be added to the other units for the district and provided further that the number of pupil units of increase over the prior year shall under no circumstances be multiplied by more than five-tenths.

(8) Only pupil units in clauses (1) and (2) shall be used in computing adjusted maintenance cost per pupil unit.

Sec. 5. Minnesota Statutes 1976, 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), 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 124.222 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. 6. Minnesota Statutes 1976, Section 124.17, is amended by adding a subdivision to read:

Subd. 2b. Notwithstanding subdivision 2, pupils enrolled in the Minnesota National Guard program shall be construed to be in

attendance for purposes of computing average daily membership during any period of the regular school year, but not to include summer school, during which the pupil is attending military active duty training pursuant to that program. During that period of military active duty training, the pupil shall earn all aid for the district of residence or attendance which would be otherwise earned by his presence.

Sec. 7. Minnesota Statutes 1976, Section 124.19, Subdivision 1, is amended to read:

124.19 [REQUIREMENTS FOR AID GENERALLY.] Subdivision 1. Every district which receives special state aid shall maintain school or provide instruction in other districts, in state university laboratory school or in the university laboratory school, at least a minimum term as defined by the state board. The normal school year when school is in session shall be not less than 175 days or their equivalent. A district which holds school for that period and is otherwise qualified is entitled to special state aid as by law provided. If school is held a less period such special state aid shall be reduced in the proportion ~~that by the ratio that the difference between 175 days and the number of days school is held bears to 175 days effective the 1970-71 school year and thereafter~~, multiplied by 60 percent of the product of the district's foundation aid formula allowance times its pupil units for that year; but districts maintaining less than the required minimum number of days of school in session do not lose special state aid if the circumstances causing such loss of school time below the required minimum number of days were beyond the control of the board and provided proper evidence has been submitted and a good faith attempt made to make up time lost on account of these circumstances; ~~provided further, that~~. Days devoted to teachers' institutes or other meetings authorized or called by the commissioner may not be included as part of the required minimum number of days of school in session. *Effective the 1977-1978 school year, not more than five days may be devoted to parent-teacher conferences or teachers' workshops as part of the required minimum number of days school is in session.*

Sec. 8. Minnesota Statutes 1976, Section 124.212, Subdivision 1, is amended to read:

124.212 [FOUNDATION AID.] Subdivision 1. The foundation aid program for school districts for school years ~~1975-1976~~ 1977-1978 and ~~1976-1977~~ 1978-1979 shall be governed by the terms and provisions of this section.

Sec. 9. Minnesota Statutes 1976, Section 124.212, Subdivision 3a, is amended to read:

Subd. 3a. Notwithstanding any of the other provisions of this section, for the ~~1975-1976~~ 1977-1978 school year neither the sum nor the sum per pupil unit of the aggregate foundation aid earned by a district maintaining a classified secondary school and the amount raised by the maximum levy authorized by Minnesota Statutes ~~1974~~ 1976, Section 275.125, Subdivision 2a, Clause (2)

and for the 1976-1977 1978-1979 school year neither the sum nor the sum per pupil unit of the aggregate foundation aid earned by such a district and the amount raised by the maximum levy authorized for 1975 in 1977 by section 275.125, subdivision 2a, clause (1), shall be less than the sum or the sum per pupil unit respectively of the aggregate foundation aid earned for the 1972-1973 school year, any payments earned for 1972-1973 which but for the operation of Minnesota Statutes 1971, Section 124.212, Subdivision 3, would not have been earned, and the amount raised by the levy authorized by Minnesota Statutes 1971, Section 275.125, Subdivision 2, Clause (1). Aggregate foundation aid includes foundation aid for all pupil units, except units computed in section 124.17, subdivision 1, clause (3). For purposes of this computation pupil units used as a divisor shall include only those units identified in section 124.17, subdivision 1, clauses (1) and (2).

Sec. 10. Minnesota Statutes 1976, Section 124.212, Subdivision 4, is amended to read:

Subd. 4. The amount of money received by a school district as income from the permanent school fund for any year, shall be deducted from the foundation aid earned by the district for the same year including aid earned pursuant to subdivision 3a or from aid earned from other state sources.

Sec. 11. Minnesota Statutes 1976, Section 124.212, is amended by adding a subdivision to read:

Subd. 5a. (1) In the 1977-1978 school year and each school year thereafter, the amount of money apportioned to a school district in that year pursuant to section 124.10, subdivision 2 which exceeds the amount apportioned to that district pursuant to section 124.10, subdivision 2 in the 1976-1977 school year, shall be deducted from the foundation aid earned by that district for the same year.

(2) In addition to the deduction in clause (1), the following amounts apportioned pursuant to section 124.10, subdivision 2 shall be deducted from foundation aid in the school years designated:

(a) In the 1977-1978 school year, one-sixth of the amount apportioned, but not to exceed one-sixth of the amount apportioned in the 1976-1977 school year;

(b) In the 1978-1979 school year, one-third of the amount apportioned, but not to exceed one-third of the amount apportioned in the 1976-1977 school year;

(c) In the 1979-1980 school year, one-half of the amount apportioned, but not to exceed one-half of the amount apportioned in the 1976-1977 school year;

(d) In the 1980-1981 school year, two-thirds of the amount apportioned, but not to exceed two-thirds of the amount apportioned in the 1976-1977 school year; and

(e) In the 1981-1982 school year, five-sixths of the amount apportioned, but not to exceed five-sixths of the amount apportioned in the 1976-1977 school year.

(3) In the 1982-1983 school year and each school year thereafter, the entire amount of money apportioned to a school district in that year pursuant to section 124.10, subdivision 2, shall be deducted from the foundation aid earned by that district for the same year.

Sec. 12. Minnesota Statutes 1976, Section 124.212, Subdivision 6b, is amended to read:

Subd. 6b. For the ~~1975-1976~~ 1977-1978 school year a district shall receive in foundation aid the lesser of (1) \$900 \$1,030 per pupil unit less ~~30~~ 29 mills times the ~~1973~~ 1975 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 Minnesota Statutes ~~1974~~ 1976, Section 124.212, Subdivision ~~7a~~ 7b, Clause (2), and the greater of (a) ~~one-half~~ five-sixths of the difference that results when such greater sum is subtracted from \$900 \$1,030, or (b) \$75 \$70, bears to \$900 \$1,030.

Sec. 13. Minnesota Statutes 1976, Section 124.212, Subdivision 7b, is amended to read:

Subd. 7b. For the ~~1976-1977~~ 1978-1979 school year a district shall receive in foundation aid the lesser of ~~(1)~~ \$960 \$1,090 per pupil unit less ~~29~~ 28 mills times the ~~1974~~ 1976 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 subdivision 6b, clause (2), and the greater of ~~(a)~~ two-thirds of the difference that results when such greater sum is subtracted from \$960, or ~~(b)~~ \$60, bears to \$960 plus the amount of the agricultural tax credit by which 1977 payable 1978 property taxes in the district are reduced pursuant to section 273.132.

Sec. 14. Minnesota Statutes 1976, 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; 124.28; 124.30; 473.633 and 473.635; 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 law

distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; the foundation aid shall be reduced in the August-October 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. *If the October adjustment of a district's foundation aid for a fiscal year is a negative amount because of this clause, the next fiscal year's foundation aid to that district shall be reduced by this negative amount. The amount reduced from foundation aid pursuant to this clause shall be recognized as revenue in the fiscal year to which the October adjustment payment is attributable.*

Sec. 15. Minnesota Statutes 1976, Section 124.212, is amended by adding a subdivision to read:

Subd. 9a. Shared time pupils are defined as those pupils who attend public schools for part of the regular school day and who otherwise fulfill the requirements of section 120.10 by attendance at a private school.

(a) The average daily membership of a pupil enrolled on a shared time basis shall equal the ratio of the total minutes for which the pupil is enrolled and the minimum minutes required during the year for a regularly enrolled public school pupil.

(b) Foundation aid for shared time pupils shall equal the amount which would accrue if shared time pupil units, counted pursuant to section 124.17, subdivision 1, clauses (1) and (2), were added to the district's total pupil units used in determining its foundation aid. Foundation aid for shared time pupils shall be in addition to any other aid to which the district is otherwise entitled and shared time average daily membership shall not be used in the computation of pupil units under section 124.17, subdivision 1, for any purpose other than the computation of shared time foundation aid pursuant to this subdivision.

(c) Foundation aid for shared time pupils shall be paid to the district of the pupil's residence. If a pupil attends shared time classes in another district, the resident district shall pay to the district of attendance an amount of tuition equal to the ratio in clause (a) times the amount of tuition which would be charged and paid for a nonresident public school pupil in a similar circumstance. The district of residence shall not be obligated for tuition except by previous agreement.

(d) Notwithstanding the provisions of clause (c), the resident district of a shared time pupil attending shared time classes in another district may grant the district of attendance, upon its request, permission to claim the pupil as a resident for state aid purposes. In this case, state aid shall be paid to the district of attendance.

Sec. 16. Minnesota Statutes 1976, Section 124.213, is amended to read:

124.213 [AID RECAPTURE.] *Subdivision 1.* In any year when the amount of the maximum levy allowed for any district by section 275.125, subdivision 2a, clause (1) or (2), exceeds the product of (a) the district's foundation aid formula allowance for the corresponding school year under section 124.212 and (b) the number of pupil units computed for the district under section 124.17 for that school year, an amount equal to the difference between the levy as certified and the specified product shall be deducted in the following order from the aids for the purposes specified receivable during the same school year pursuant to the following sections: (1) transportation aid pursuant to section 124.222; (2) secondary vocational aid pursuant to section 124.57 or 124.573; (3) special education aid pursuant to section 124.32. ~~For the 1977-1978 school year, the foundation aid formula allowance shall equal the lesser of \$1,015 or 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 \$1,015, or (b) \$56.~~ This section shall apply to school years commencing with the 1977-1978 school year; provided, deductions pursuant to this section shall be limited to the following percentages of the difference between the specified product and the certified levy in the school years indicated: 20 percent of the difference in the 1977-1978 school year; 60 percent of the difference in the 1978-1979 school year; and 100 percent of the difference in the 1979-1980 school year and each school year thereafter.

Subd. 2. ~~For the 1977-1978 school year, the foundation aid formula allowance shall equal the lesser of \$1,030 or 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 \$1,030, or (b) \$70. The foundation aid formula allowance shall be \$1,090 for the 1978-1979 school year.~~

Sec. 17. Minnesota Statutes 1976, Section 124.212, is amended by adding a subdivision to read:

Subd. 21. *Foundation aids shall be paid to the district of residence unless otherwise specifically provided by law.*

Sec. 18. Minnesota Statutes 1976, Section 273.132, is amended to read:

273.132 [STATE PAID AGRICULTURAL CREDIT.] The county auditor shall reduce the tax for school purposes on all property receiving the homestead credit pursuant to section 273.13, subdivision 6, by an amount equal to the tax levy that would be produced by applying a rate of 12 mills on the property. The county auditor shall reduce the tax for school purposes on all other agricultural lands and all real estate devoted to temporary and seasonal residential occupancy for recreational purposes, but not devoted to commercial purposes, by an amount that would be produced by applying a rate of ten mills on the property. The amounts

so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review such certifications to determine their accuracy. He may make such changes in the certification as he may deem necessary or return a certification to the county auditor for corrections.

In 1977, payment shall be made according to the procedure provided in section 273.13, subdivision 15a, for the purpose of replacing revenue lost as a result of the reduction of property taxes provided in this section. In 1978, payment shall be made pursuant to sections 124.212, subdivision 7b and 124.11, for the purpose of replacing revenue lost as a result of the reduction in property taxes provided in this section. There is appropriated from the general fund in the state treasury to the commissioner of revenue the amount necessary to make these payments in fiscal year 1978. There is appropriated from the general fund in the state treasury to the department of education the amount necessary to make these payments in fiscal year 1979 and thereafter.

Sec. 19. Minnesota Statutes 1976, Section 275.125, Subdivision 2a, is amended to read:

Subd. 2a. (1) In ~~1975~~ 1977, a school district may levy for all general and special school purposes, an amount equal to the amount raised by 28 mills times the 1974-1976 adjusted assessed valuation of the district ~~times the number of mills, not to exceed 20, that bears the same relation to 20, as the greater sum computed pursuant to section 124.212, subdivision 7b, clause (2), bears to \$900.~~

(2) In ~~1975~~ 1978, a school district may levy for all general and special school purposes, an amount equal to the amount raised by 27 mills times the ~~1975~~ 1977 adjusted assessed valuation of the district ~~times the number of mills, not to exceed 20, that bears the same relation to 20, 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 95 percent of 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 50 percent of 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) (a) 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 to approve a levy increase which will commence in a specific 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) state the maximum amount of the increased levy in mills, the amount that will be raised by that millage in the first year it is to be levied, and that the millage shall be used to finance school operations. The question may designate a specific number of years for which the referendum authorization shall apply. If approved, the amount provided by the approved millage applied to each year's assessed taxable valuation shall be authorized for certification for the number of years approved, if applicable, or until revoked by the voters of the district at a subsequent referendum; which.

(b) A referendum on the question of revoking the increased levy amount authorized pursuant to clause (a) of this clause 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. The amount approved by the voters of the district pursuant to clause (a) of this clause, must be levied at least once before it is subject to a referendum on its revocation for subsequent years. Only one such revocation election may be held to revoke a levy for any specific year and for years thereafter.

(c) A petition authorized by clauses (a) or (b) of 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.

(d) Notwithstanding any law to the contrary, the approval of 50 percent plus one of those voting on the question is required to pass a referendum.

(e) Within 30 days after the district holds a referendum pursuant to this clause, the district shall notify the commissioner of education of the results of the referendum.

Sec. 20. Minnesota Statutes 1976, 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, clause (1), shall reduce the permissible levies autho-

rized by subdivisions 3 to 14 by that portion of the previous year's payment not deducted from foundation aid on account of the payment. The levy reductions shall be made in the proportions that each permissible levy bears to the sum of the permissible levies. Reductions in levies pursuant to this clause, subdivision 10 of this section, and section 273.138, shall be made prior to the reductions in clause (2).

(2) Notwithstanding any other law to the contrary, districts which received payments pursuant to sections 294.21 to 294.28; 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 this section to be certified 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 subdivision 2a, clause 1 or 2, to an amount less than 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. The amount of any increased levy authorized by referendum pursuant to subdivision 2a, clause (4) shall not be reduced pursuant to this subdivision. The amount of any levy authorized by subdivision 4, to make payments for bonds issued and for interest thereon, shall not be reduced pursuant to this subdivision.

(4) *Before computing the reduction pursuant to this subdivision of the capital expenditure levy authorized by Article VI, Section 9, of this act, the commissioner shall ascertain from each affected school district the amount it proposes to levy for capital expenditures pursuant to that subdivision. The reduction of the capital expenditure levy shall be computed on the basis of the amount so ascertained.*

(5) Notwithstanding any law to the contrary, any amounts received by districts in any fiscal year after fiscal year 1975 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; or any law imposing a tax on severed mineral values, or under any other law distributing proceeds in lieu of ad valorem tax assessments on copper or nickel properties; and not deducted from foundation aid pursuant to section 124.212, subdivision 8a, clause (2), and not applied to reduce levies pursuant to this subdivision shall be paid by the district to the commissioner of finance in the following amounts pursuant to this clause on the designated dates: on or before March 15, 1977, 20 percent of the amounts received in fiscal 1976 and not deducted from foundation aid in August 1976 and not applied to reduce 1976 payable 1977 levies; on or before

March 15, 1978, 60 percent of the amounts received in fiscal 1977 and not deducted from foundation aid in August 1977 and not applied to reduce 1977 payable 1978 levies; on or before March 15, 1979 and March 15 of each year thereafter, 100 percent of the amounts received in the preceding fiscal year and not deducted from foundation aid in the preceding August and not applied to reduce levies certified in the preceding October. The commissioner of finance shall deposit any amounts received pursuant to this clause in the taconite property tax relief fund in the state treasury, established pursuant to section 16A.70 for purposes of paying the taconite homestead credit as provided in section 273.135.

Sec. 21. [REPEALER.] *Minnesota Statutes 1976, Sections 124.19, Subdivision 2; and 124.212, Subdivision 19, are repealed.*

Sec. 22. [REPEALER.] *Minnesota Statutes 1976, Section 124.212, Subdivision 3a, is repealed effective July 1, 1979.*

Sec. 23. [APPROPRIATIONS.] *Subdivision 1. There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.*

Subd. 2. [FOUNDATION AID.] *For foundation aid there is appropriated:*

\$611,600,000.....	1978,
\$634,300,000.....	1979.

(a) *The appropriation in this subdivision for fiscal year 1978 includes not to exceed \$60,000,000 for the payment of the final foundation aid distribution for fiscal year 1977, of which not to exceed \$8,241,000 is for foundation aid for 1977 summer school programs.*

(b) *The appropriation in this subdivision for fiscal year 1979 includes not to exceed \$58,150,000 for the payment of the final foundation aid distribution for fiscal year 1978, of which not to exceed \$8,850,000 is for foundation aid for 1978 summer school programs.*

Subd. 3. *Any unexpended balance remaining from the appropriation in this section for 1978 shall not cancel but shall be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated.*

Sec. 24. [EFFECTIVE DATE.] *Section 14 of this article is effective the day following final enactment. Section 10 of this article is effective July 1, 1979.*

ARTICLE II

TRANSPORTATION AID PROGRAM

Section 1. *Minnesota Statutes 1976, Section 124.14, Subdivision 1, is amended to read:*

124.14 [DISTRIBUTION OF SCHOOL AIDS; APPROPRIATION.] Subdivision 1. The state board shall supervise distribution of the school aids in accordance with law. It may make rules and regulations consistent with law for such distribution which will enable districts to perform efficiently the services required by law and further education in the state, including reasonable requirements for such reports and accounts to it as will assure accurate and lawful apportionment of aids. It shall require that the *membership and pupil unit count* of a minimum of 25 school districts be audited each fiscal year. The audits shall be conducted at random throughout the state with no prior notice to any district. *At the time of each audit, the auditors shall also examine the appropriate factors that related to the determination of the authorized transportation costs and aids for that district. In districts where a post-secondary vocational-technical school is located, the audit shall include an audit of the membership of that school.* Disparities between *membership and pupil unit counts or transportation data* reported by the school districts and those found by the auditors shall be reported to the commissioner who shall order an increase or reduction of foundation or transportation aids accordingly. A reduction of foundation or transportation aid under this section may be appealed to the state board of education and its decision shall be final. Public schools shall at all times be open to the inspection of the state board, and the accounts and records of any district are open to inspection by the state auditor, or the state board.

Sec. 2. Minnesota Statutes 1976, Section 124.222, Subdivision 1a, is amended to read:

Subd. 1a. [COMPUTATION.] For the ~~1975-1976~~ 1977-1978 school year the state shall pay to each school district for all school transportation and related services for which the district is authorized by law to receive state aid:

- (1) The lesser product of either:
 - (a) The actual net operating cost per eligible pupil transported during the ~~1975~~ 1978 fiscal year times the number of eligible pupils transported during the ~~1976~~ 1978 fiscal year; or
 - (b) One hundred ~~eighteen~~ *seventeen* percent of the actual net operating cost per eligible pupil transported during the ~~1974~~ 1976 fiscal year, times the number of eligible pupils transported during the ~~1976~~ 1978 fiscal year;
- (2) Minus the amount raised by a levy of one mill times the adjusted assessed valuation which is used to compute the transportation levy limitation for the levy collected in calendar year ~~1975~~ 1977 ;
- (3) Plus, the amount of depreciation for one year on the school bus fleet computed by the department of education on a straight line basis at the rate of 12½ percent per year of the cost of the fleet - The net cost after salvage of all equipment added to or installed in a school bus specifically to meet special needs of handicapped individuals shall be added to the remaining undepreciated

value of that bus and depreciated over the remainder of the depreciation term for that bus ;

(4) Plus, the amount of depreciation for one year on school buses reconditioned by the department of corrections. This depreciation shall be computed by the department of education on a straight line basis at the rate of $33\frac{1}{3}$ percent per year of the cost to the district of the reconditioning .

Sec. 3. Minnesota Statutes 1976, Section 124.222, Subdivision 1b, is amended to read:

Subd. 1b. [COMPUTATION.] For the ~~1976-1977~~ 1978-1979 school year the state shall pay to each school district for all school transportation and related services for which the district is authorized by law to receive state aid:

(1) The lesser product of either:

(a) The actual net operating cost per eligible pupil transported during the ~~1977~~ 1979 fiscal year times the number of eligible pupils transported during the ~~1977~~ 1979 fiscal year; or

(b) One hundred ~~twenty-four~~ *twenty-seven* percent of the actual net operating cost per eligible pupil transported during the ~~1974~~ 1976 fiscal year, times the number of eligible pupils transported during the ~~1977~~ 1979 fiscal year;

(2) Minus the amount raised by a levy of one mill times the adjusted assessed valuation which is used to compute the transportation levy limitation for the levy collected in calendar year ~~1976~~ 1978 ;

(3) Plus, the amount of depreciation for one year on the school bus fleet computed by the department of education on a straight line basis at the rate of $12\frac{1}{2}$ percent per year of the cost of the fleet . The net cost after salvage of all equipment added to or installed in a school bus specifically to meet special needs of handicapped individuals shall be added to the remaining undepreciated value of that bus and depreciated over the remainder of the depreciation term for that bus ;

(4) Plus, the amount of depreciation for one year on school buses reconditioned by the department of corrections. This depreciation shall be computed by the department of education on a straight line basis at the rate of $33\frac{1}{3}$ percent per year of the cost to the district of the reconditioning .

Sec. 4. Minnesota Statutes 1976, Section 124.222, Subdivision 2a, is amended to read:

Subd. 2a. [HANDICAPPED PUPIL TRANSPORTATION; COST.] (1) In addition to the amounts authorized in subdivision 1a, if the actual net operating cost per eligible handicapped pupil transported during the ~~1976~~ 1978 fiscal year exceeds ~~128~~ 127 percent of the actual net operating cost per eligible handicapped pupil transported during the ~~1974~~ 1976 fiscal year, the state shall pay to the district 80 percent of the cost for this handicapped transportation in excess of this ~~128~~ 127 percent.

(2) In addition to the amounts authorized in subdivision 1b, if the actual net operating cost per eligible handicapped pupil transported during the ~~1977~~ 1979 fiscal year exceeds ~~134~~ 137 percent of the actual net operating cost per eligible handicapped pupil transported during the ~~1974~~ 1976 fiscal year, the state shall pay to the district 80 percent of the costs for this handicapped transportation in excess of this ~~134~~ 137 percent.

Sec. 5. Minnesota Statutes 1976, Section 124.222, Subdivision 3, is amended to read:

Subd. 3. [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 30 percent of its estimated school transportation aid entitlement for the fiscal year on or before each of the following dates: ~~September 30~~ August 31, December 31, and March 31. *The amount of transportation aid for school bus depreciation shall be paid on or before September 30. The actual balance due the final aid distribution to each district shall be paid made on or before August October 31 of the following fiscal year.*

Sec. 6. Minnesota Statutes 1976, Section 124.222, Subdivision 6, is amended to read:

Subd. 6. [BASE COST ADJUSTMENTS.] For the purposes of payment of transportation aids, in the ~~1976~~ 1978 fiscal year and thereafter, the commissioner of education may adjust the base cost per eligible pupil transported during the ~~1974~~ 1976 fiscal year to reflect changes in costs resulting from *the following:*

(a) Alterations in school district boundaries *if application is made prior to December 15 of the school year following the year in which the alterations are made;*

(b) Omissions in school district reports *if application is made prior to December 15, 1977;*

(c) *The addition by the district of an authorized transportation aid category if that category of transportation was not provided during the 1976 fiscal year if application is made prior to December 15 of the school year following the year in which the additional transportation is provided;*

(d) *Omissions in school district reports determined by the legislative auditor;*

(e) *Increased costs resulting from changes in transportation patterns required by a schoolhouse closing provided that (1) the cost increases can be demonstrated to be a direct result of the closing;*

(2) *the increases result in costs above the formula limitation; and*

(3) *application is made prior to December 15 of the school year following the last school year in which the schoolhouse is open.*

In the 1978 fiscal year and thereafter, the commissioner shall appropriately adjust the base cost per eligible pupil transported during the 1976 fiscal year to reflect changes in the treatment of

depreciation and qualification for depreciation aid resulting from changes in school bus fleet ownership from district owned and managed to privately owned and contracted or from privately owned and contracted to district owned and managed. Districts shall report any such changes to the commissioner within 60 days of the date the changes are made.

Prior to making any base cost change pursuant to this subdivision, the department shall examine the appropriate factors that relate to the determination of the authorized transportation costs and aid for that district.

Sec. 7. Minnesota Statutes 1976, Section 124.223, is amended to read:

124.223 [TRANSPORTATION AID AUTHORIZATION.] For the ~~1974-1975~~ 1977-1978 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 *for secondary vocational classes for resident pupils of any of the districts who are members of or participating in programs at that center*;

(4) Transportation or board and lodging of a handicapped pupil when ~~he~~ *that pupil* 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) (6) 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) (7) Transportation for residents to and from the Minnesota school for the deaf or the Minnesota braille and sight-saving school;~~

~~(9)~~ (8) Services described in clauses (1) to ~~(8)~~ (7) when provided in conjunction with a state board approved summer school program ; and

(9) Transportation to, from or between educational facilities located in any of two or more school districts jointly offering academic classes for resident pupils of any of these districts, if this transportation is provided in conjunction with transportation of resident pupils to a state board approved secondary vocational center.

Sec. 8. Minnesota Statutes 1976, Section 275.125, is amended by adding a subdivision to read:

Subd. 5a. Upon approval of the commissioner, a district may levy for increased transportation costs above the formula limitation resulting from changes in transportation patterns required by leasing a school in another district provided that the cost increases are estimated to be a direct result of leasing that school and the increases result in costs above the formula limitation. The commissioner shall approve a specific dollar amount which may be levied because of these increased costs. The levy authorized by this subdivision may be computed on the basis of estimated increased costs. In the first year a district makes the levy authorized by this subdivision, the commissioner may authorize a levy sufficient to pay for estimated increased costs resulting from leasing for two years. The amount provided by this levy shall not be included in the computation of the actual net operating cost per pupil transported in future years.

Sec. 9. [REPEALER.] Minnesota Statutes 1976, Section 124.222, Subdivisions 4 and 5, are repealed.

Sec. 10. [BUS RECONDITIONING APPROPRIATION.] There is appropriated from the general fund to the department of corrections the sum of \$200,000 for the year ending June 30, 1978 and the sum of \$216,000 for the year ending June 30, 1979 for the reconditioning of school district owned buses by that department. The appropriations in this section include \$50,000 in 1978 and \$25,000 in 1979 for start-up costs incurred for this program. School buses reconditioned by the department of corrections shall be eight years old or older or have high mileage or be in extensive need of repair. Any unexpended balance remaining from the appropriation in this section for 1978 shall not cancel but shall be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated.

Sec. 11. [TRANSPORTATION AID APPROPRIATIONS.] Subdivision 1. There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. For transportation aid there is appropriated:

\$74,815,000 1978

\$78,310,000 1979

(a) *The appropriation in this subdivision for fiscal year 1978 includes not to exceed \$6,546,400 for the payment of the final transportation aid distribution to each district for fiscal year 1977.*

(b) *The appropriation in this subdivision for fiscal year 1979 includes not to exceed \$6,947,000 for the payment of the final transportation aid distribution to each district for fiscal year 1978.*

(c) *The appropriations in this subdivision also include not to exceed \$500,000 in 1978 and \$600,000 in 1979 for transportation aid pursuant to section 124.222, subdivision 2a. These amounts are the total appropriations for this purpose for each year.*

(d) *The appropriations in this subdivision also include not to exceed \$150,000 in each year indicated for transportation aid pursuant to section 7, clause (9) of this article. These amounts are the total appropriations for this purpose for each year.*

Subd. 3. Any unexpended balance remaining from the appropriation in this section for 1978 shall not cancel but shall be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount indicated for either year in subdivision 2, clause (c) or (d) of this section, is insufficient for the purpose indicated, the aid for that year for that purpose shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of the appropriation for that purpose.

Sec. 12. [EFFECTIVE DATE.] Section 5 of this article is effective the day following final enactment.

ARTICLE III

SPECIAL EDUCATION AID PROGRAM

Section 1. Minnesota Statutes 1976, 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. School age means the ages of four years to 21 years for children who are handicapped as defined in section 120.03 and shall not extend beyond secondary school or its equivalent. *For purposes of this subdivision, the age of a handicapped child shall be his age as of September 1 of the calendar year in which the school year for which he seeks special instruction and services commences.* 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, train-

ing and services for handicapped children as defined in section 120.03.

Sec. 2. Minnesota Statutes 1976, Section 120.17, Subdivision 1a, is amended to read:

Subd. 1a. School districts may provide special instruction and services through the school year in which the pupil reaches age 25 for trainable mentally retarded pupils as defined in section 120.03, subdivision 4, who have attended public school less than nine years prior to September, 1975.

Any district may provide special instruction and services for these trainable mentally retarded pupils living within the district, including nonresident pupils temporarily placed in the district pursuant to section 120.17, subdivision 6 or 7. Prior to October 1 or 30 days after placement, whichever is later in the school year, the providing district shall give notice to the district of residence of any nonresident pupil placed in the district pursuant to subdivision 6 or 7, of its intention to provide the special instruction and services and bill the district of residence for the actual unreimbursed costs of providing the special instruction and services. The unreimbursed actual cost of providing the special instruction and services for eligible nonresident pupils shall be billed to the district of the pupil's residence and shall be paid by the resident district. The district of residence may claim state aid for these pupils as if the pupils were under 21 years of age.

This subdivision shall expire on June 30, 1983.

Sec. 3. Minnesota Statutes 1976, Section 120.17, Subdivision 5a, is amended to read:

Subd. 5a. Every district may provide summer programs for handicapped children living within the district, including nonresident children temporarily placed in the district pursuant to subdivisions 6 or 7. Prior to March 31 or 30 days after the handicapped child is placed in the district, whichever is later, the providing district shall give notice to the district of residence of any nonresident children temporarily placed in the district pursuant to subdivisions 6 or 7, of its intention to provide these programs. Notwithstanding any contrary provisions in subdivisions 6 and 7, the school district providing the special instruction and services shall apply for all state aid for the summer program, including special state aid pursuant to section 124.32, foundation aid and transportation aid. For the purposes of computing foundation aid for these programs, all pupils enrolled in these programs shall be construed to be residents of the district providing the programs. The unreimbursed actual cost of providing the program for nonresident handicapped children may be billed to the district of the child's residence and shall be paid by the resident district. ~~This subdivision shall be effective March 1, 1976.~~

Sec. 4. Minnesota Statutes 1976, Section 120.17, Subdivision 7a, is amended to read:

Subd. 7a. [ATTENDANCE AT SCHOOL FOR THE HANDICAPPED.] 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 128A.05, subdivisions 1 or 2 that the child is entitled to attend either school, the state board shall provide the appropriate educational program for the child. 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. All tuition so received shall be deposited in the state treasury, subject to the order of the state board;

(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, 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 state board for the actual cost of providing the program, less any amount of aid received pursuant to section 124.32. The state board shall pay the tuition and other program costs including the unreimbursed transportation costs. 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 educational program and the state shall reimburse such district within the limits provided by law ;

(d) Notwithstanding the provisions of clauses (b) and (c), the state board may agree to make a tuition charge for less than the amount specified in clause (b) for pupils attending the applicable school who are residents of the district where the institution is located and who do not board at the institution, if that district agrees to make a tuition charge to the state board for less than the amount specified in clause (c) for providing appropriate educational programs to pupils attending the applicable school .

Sec. 5. Minnesota Statutes 1976, Section 123.581, Subdivision 1, is amended to read:

123.581 [PROGRAMS FOR IN-SERVICE TRAINING FOR REGULAR CLASSROOM TEACHERS IN TECHNIQUES OF EDUCATION OF HANDICAPPED PUPILS.] Subdivision 1. [ESTABLISHMENT.] ~~Pile~~ Programs for in-service training for regular classroom teachers , *assistant principals and principals* in techniques of education of ~~mildly learning disabled and retarded handicapped~~ pupils shall be established in school districts designated by the state board of education. Funds for these ~~pilot~~ programs shall be granted by the state board upon the recommendation of the advisory council for ~~special education of mildly learning disabled pupils and mildly retarded pupils in-service train-~~

ing in techniques of education of handicapped pupils. Handicapped pupils for the purposes of section 123.581, are those defined in section 120.03.

Sec. 6. Minnesota Statutes 1976, Section 123.581, Subdivision 2, is amended to read:

Subd. 2. [ADVISORY COUNCIL.] There is hereby established the advisory council for special education of mildly learning disabled pupils and mildly retarded in-service training in techniques of education of handicapped pupils, which shall be responsible for recommending grants for and assisting the districts in developing the pilot programs of in-service teacher training.

Sec. 7. Minnesota Statutes 1976, Section 123.581, Subdivision 3, is amended to read:

Subd. 3. [MEMBERSHIP.] The advisory council shall consist of 12 members who shall be appointed by the commissioner of education. Nine members shall be professionally qualified in the fields of special or general education, and three shall be public members. The professionally qualified members shall be representative of teacher training departments or institutions, educators acting as consultants in the field of special learning behavior problems, mental retardation, and other educational handicaps and the department of education. The public members shall be representative of associations and organizations concerned with the problems of learning disabled pupils and retarded handicapped pupils.

Sec. 8. Minnesota Statutes 1976, Section 123.581, Subdivision 6, is amended to read:

Subd. 6. [REQUIREMENTS FOR PROGRAMS.] A grant received by the district shall be used solely for costs incurred in the in-service training of the teachers and shall not be used for any other general education or special education functions. Applications for grants may be considered from districts initiating an in-service training program or continuing an existing program. A single district may initiate or continue a program or may join with another district or other districts. A district may cooperate with other districts in a special educational regional council, educational service area, or educational cooperative service unit wherever such arrangement is available. Distribution of funds between or among the pilot programs shall depend upon the needs of the district, its population, and the number of teachers to be trained in the program. There is no requirement that funds be equally distributed.

Sec. 9. Minnesota Statutes 1976, Section 124.32, is amended to read:

124.32 [HANDICAPPED CHILDREN.] Subdivision 1. The state shall pay to any district: (a) for the employment in its educational program for handicapped children, no less than 55 and not more than 75 60 percent of the salary of essential personnel in 1977-1978 and 65 percent of the salary of essential personnel in

1978-1979 , but this amount shall not exceed \$11,000 \$11,500 in 1977-1978 or \$12,000 in 1978-1979 for the normal school year for each full time person employed, or a pro rata amount for a part time person or a person employed for a limited time, whether the essential personnel are employed by a district alone or jointly with another district;

(b) plus 10 five percent of the salaries of essential personnel employed in its educational program for handicapped children, for the purpose of recognizing additional support costs of educational programs for handicapped children ;

(c) less 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 percent of the time school is in session, except that no portion of the foundation aid formula allowance shall be deducted for pre-school handicapped children.

The state board shall promulgate rules establishing the method and criteria by which districts shall determine the percentage of time that handicapped children receive special instruction and services. The actual percent of the salaries of essential personnel to be applied 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 and shall be the same for all school districts in the state.

Subd. 1a. For purposes of this section, for the 1976-1977 1977-1978 school year, the foundation aid formula allowance per pupil unit shall be the lesser of \$960 \$1,030 or the greater sum computed pursuant to section 124.212, subdivision 7b 6b , clause (2). For the 1978-1979 school year, the foundation aid formula allowance per pupil unit shall be \$1,090. Computations of foundation aid formula allowances pursuant to this section shall be based on the foundation aid formula allowance per pupil unit in the child's district of residence. For the purposes of computing foundation aid formula allowances pursuant to this section, each handicapped child shall be counted as prescribed in section 124.17, subdivision 1, clause (1) or (2).

Subd. 1b. For special instruction or training and services provided for any pupil pursuant to section 120.17, subdivision 2, clause (h), by contract with public, private or voluntary agencies other than Minnesota school districts, the state shall pay each district :

(1) the 60 percent of the difference between the amount of the contract which is equal to the actual percent of the salaries of essential personnel paid by the state pursuant to subdivision 1, clause (e);

(2) less 25 percent of and the foundation aid formula allowance of the district for that pupil or a pro rata portion of the foundation aid formula allowance for pupils who receive services by contract on less than a full time basis

Subd. 2. The state shall pay each district for supplies and equipment purchased or rented for use in the instruction of handi-

capped children an amount equal to one-half of the sum actually expended by the district but not to exceed an average of \$50 in any one school year for each handicapped child receiving instruction.

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. The aids provided for educational programs for handicapped children shall be paid 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 of the pupils' residence. The total amount of aid paid may not exceed the amount expended for handicapped children 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 the 60 percent of instructional costs charged to the resident district which is equal to the actual percent of the salaries of essential personnel paid by the state pursuant to subdivision 1, clause (a), less the foundation aid formula allowance in the resident district for each handicapped child placed in a residential facility. Not more than \$400,000 \$500,000 for 1977-1978 and \$600,000 for 1978-1979 shall be spent annually paid for the purposes of implementing this subdivision. If that amount does not suffice, the aid shall be prorated 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 pay each district the actual cost incurred in providing instruction and services for a handicapped child whose district of residence has been determined by section 120.17, subdivision 8a, and who is temporarily placed in a state institution or a licensed residential facility for care and treat-

ment. 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 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 the foundation aid formula allowance for the child and the special education aid, transportation aid, and any other aid earned in behalf of such child, such action pursuant to limits set forth in 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 *proposed as 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 receive special instruction and services *for more than 50 percent 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 *for the evaluation of the necessity of the program, the necessity of the personnel to be employed in the program, and the program's compliance with the rules and standards of the state board. The commissioner shall review each application in order to determine whether the program and the personnel to be employed in the program are actually necessary and essential to meet the district's obligation to provide special instruction and services to handicapped children pursuant to section 120.17. The commissioner shall not approve aid pursuant to this section for any program or for the salary of any personnel he determines to be unnecessary or unessential on the basis of this review.* 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 amount of aid for the programs determined pursuant to *subdivision 1*. The commissioner shall provide procedures for districts to submit additional applications for program and budget approval during the school year, for programs needed to meet *any substantial changes in the needs of handicapped children in the district.*

Subd. 8. When planning programs for the education of handicapped children in the regular classroom, school districts are encouraged to consider the size of the regular class and to provide the support services necessary to insure successful mainstreaming.

Subd. 9. Except as may be otherwise authorized by the commissioner to accommodate a flexible school year program the state shall pay to each school district 30 percent of its estimated special education aid for the school year on or before each of the following dates: September 30, December 30 31 and March

31. The final aid distribution to the district shall be made on or before August 31 *October 31* of the following year.

Subd. 10. *The state shall pay aid for 1977 summer school programs for handicapped children on the basis of the formula applicable to the 1977-1978 school year.* Beginning with the summer of 1977 1978, the state shall pay aid for summer school programs for handicapped children on the basis of the sections of Minnesota Statutes providing aid for handicapped children for the preceding school year. On or before March 15, 1977, and March 15 of each year thereafter, districts shall submit separate applications for program and budget approval for summer school programs. *The review of these applications shall be as provided in subdivision 7.* By May 1, 1977, and May 1 of each year thereafter, the commissioner shall approve, disapprove or modify the applications and notify the districts of his action and of the estimated level amount 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.

Subd. 11. (1) Notwithstanding the provisions of subdivision 3a, Special School District No. 1 shall implement the change from reimbursement to current funding for aid to handicapped children as follows:

(a) The total amount of aid to handicapped children paid to the district each year shall be equal to the amount computed according to the current funding provisions of this section.

(b) The district may account for \$4,700,000 of the amount in clause (a) on a reimbursement basis until such time as the district is required to account for aid to handicapped children on a current basis pursuant to clause (3).

(c) For purposes of revenue recognition the \$4,700,000 designated in clause (b) shall be recognized as revenue of the fiscal year preceding the fiscal year of receipt. The amount calculated pursuant to clause (a) less the \$4,700,000 designated in clause (b) shall be recognized as revenue of the fiscal year of receipt.

(2)(a) Special School District No. 1 shall establish an "account for special education statutory operating debt" and a "reserve account for current financing of special education". These accounts shall be established immediately following April 14, 1976.

(b) The "account for special education statutory operating debt" shall reflect the \$4,700,000 accounted for on a reimbursement basis pursuant to clause (1) (b). The special education statutory operating debt reflected in this account shall be in addition to the statutory operating debt of the district determined pursuant to section 121.014.

(c) Notwithstanding the provisions of section 275.125, subdivision 9a, clause (2) the "reserve account for current financing of special education" rather than the "reserve account for purposes of reducing statutory operating debt" shall reflect the proceeds of the levy authorized pursuant to section 275.125 and the amount

deposited pursuant to Laws 1976, Chapter 271, Section 94 until such time as the amount reflected in the "reserve account for current financing of special education" equals the amount reflected in the "account for special education statutory operating debt". Thereafter, the proceeds of the levy authorized pursuant to section 275.25, subdivision 9a shall be reflected in the "reserve account for purposes of reducing statutory operating debt".

(d) Until such time as the amount reflected in the "reserve account for current financing of special education" equals the amount reflected in the "account for special education statutory operating debt", the amount reflected in the "reserve account for current financing of special education" shall be used for the purposes for which special education aid may be used, however the amount 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 special education expenditure or budgets.

(e) Until such time as the amount reflected in the "reserve account for current financing of special education" equals the amount reflected in the "account for special education statutory operating debt", Special School District No. 1 may, in each year, issue certificates of indebtedness in anticipation of receipt of aid to handicapped children in an amount not to exceed \$4,700,000 less an amount equal to the amount reflected in the "reserve account for current financing of special education".

(3) When the amount reflected in the "account for special education statutory operating debt" equals the amount reflected in the "reserve account for current financing of special education" the district shall thereafter receive and account for aid to handicapped children on a current funding basis. *Special School District No. 1 shall be allowed to maintain as an appropriated fund balance in its general fund on June 30, 1977 the unexpended balance of the \$4,700,000 deficit financing authorized by Minnesota Statutes 1976, Section 124.32, Subdivision 11. This appropriated fund balance amount shall be treated by the commissioner the same as he would treat any appropriated fund balance amount for the purpose of calculating operating debt pursuant to section 121.914. Moreover, this amount shall only be available to finance the 1977-1978 special education budget of the district.*

This subdivision shall expire on July 1, 1978.

Sec. 10. Minnesota Statutes 1976, Section 128A.02, Subdivision 2, is amended to read:

Subd. 2. The state board shall *may* promulgate rules regarding the maintenance and conduct operation 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.

Sec. 11. Minnesota Statutes 1976, Section 128A.02, Subdivision 3, is amended to read:

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. 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 teaching and the state board of education; provided that any teacher who does not meet these standards as of July 1, 1977 shall be required to meet these standards by September 15, 1978 1980 in order to continue in employment.

Sec. 12. Minnesota Statutes 1976, Section 128A.06, is amended to read:

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 five 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 the district of the child's residence to the admissions and discharge committee by June 1 upon the appropriate forms provided by the field consultant or the district superintendent commissioner of education. The admissions and discharge committee shall make its decisions by July 1 *decide whether to admit a child* on the basis of a review of the educational record and needs of the child, including the record of the decision by the child's district of residence pursuant to sections 120.17 and 128A.05, subdivision 1 or 2, to apply for the child's admission. An admittance shall be provisional until it is determined that the individual comes within the provisions of section 128A.05, subdivisions 1 or 2.

Subd. 3. An individual in attendance at either school prior to July 1, 1977, shall be entitled to continue in attendance without reapplication provided that it is determined by September 1, 1977 July 1, 1978 that that individual comes within the provisions of section 128A.05, subdivision 1 or 2.

Subd. 4. The admissions and discharge committee shall determine whether any child in attendance at the applicable school can also benefit from public school enrollment. This decision shall be subject to the provisions of section 120.17, and shall be made only after consultation with the parents and the school district of residence *procedural safeguards contained in the rules of the state board*.

Subd. 5. The progress of an individual in attendance at either school shall be periodically evaluated by the professional staff of that school as provided by the rules of the state board. The individual shall be returned to the district of residence when deemed appropriate by the admissions and discharge committee.

Subd. 6. *The actions and decisions of the admissions and discharge committee shall be subject to state board rules. Decisions concerning admittance and , discharge and an individual's educa-*

tional program shall be subject to appeal to the commissioner by the child's parent or guardian or school district of residence pursuant to rules promulgated by the state board ; and shall be made only after consultation with the parents and the school district of residence .

Sec. 13. Laws 1976, Chapter 271, Section 94, is amended to read:

Sec. 94. Notwithstanding the provisions of section 90 of this act, Special School District No. 1 may retain the amount of \$1,100,000 received in settlement of a proceeding before the tax court regarding the determination of the 1973 and 1974 adjusted assessed valuation of the property in the district by the equalization aid review committee. The amount retained pursuant to this section shall be deposited in the " reserve account for current financing of special education " established pursuant to section 52, subdivision 11, of this act "appropriated fund balance reserve account for purposes of reducing statutory operating debt" established pursuant to Minnesota Statutes, Section 275.125, Subdivision 9a.

Sec. 14. [APPROPRIATION.] There is appropriated from the general fund to the department of education for the purposes of section 123.581 the sum of \$1,500,000 to be available until July 1, 1979. Of this amount, \$16,200 shall be available for the year ending June 30, 1978 for the employment of one-half professional and one-half clerical employee beyond the existing complement of the department of education; \$16,200 shall be available for the year ending June 30, 1979 for the employment of one-half professional and one-half clerical employee beyond the existing complement of the department; and \$2,800 shall be available until June 30, 1979 for the payment of other necessary expenses incurred in the administration of section 123.581.

Sec. 15. [DEFICIENCY APPROPRIATION.] The sum of \$3,889,150 is appropriated from the general fund to the department of education for the fiscal year ending June 30, 1977 for the payment of a deficiency in funds available for payment of special education aids in that fiscal year. This appropriation shall be added to the sums appropriated for fiscal year 1977 for special education aid in Laws 1975, Chapter 432, Section 96, Clause (3) and in Laws 1976, Chapter 271, Section 97, Subdivision 3.

Sec. 16. [SPECIAL EDUCATION AID; APPROPRIATIONS.] Subdivision 1. There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. For special education aid there is appropriated:

\$66,225,000 1978,

\$78,140,000 1979.

(a) The appropriation in this subdivision for fiscal year 1978 includes not to exceed \$8,177,000 for the payment of the final special education aid distribution to each district for fiscal year 1977, of which not to exceed \$2,800,000 is for special education aid for 1977 summer school programs.

(b) *The appropriation in this subdivision for fiscal year 1979 includes not to exceed \$10,373,317 for the payment of the final special education aid distribution to each school district for fiscal year 1978, of which not to exceed \$3,780,000 is for special education aid for 1978 summer school programs.*

(c) *The appropriations in this subdivision include not to exceed \$500,000 in 1978 and \$600,000 in 1979 for aid pursuant to section 124.32, subdivision 5. These amounts are the total appropriations for this purpose for each year.*

Subd. 3. Any unexpended balance remaining from the appropriation in this section for 1978 shall not cancel but shall be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for the purpose indicated is insufficient, the aid for that year shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of the appropriations in this section for these purposes.

Sec. 17. [EFFECTIVE DATE.] Sections 3, 5, 6, 7, 8, 14 and 15 and section 9, subdivisions 7, 9 and 10 of this article shall be effective the day following final enactment. Section 2 of this article shall be effective August 15, 1977.

ARTICLE IV

COMMUNITY AND ADULT EDUCATION AID PROGRAMS

Section 1. Minnesota Statutes 1976, Section 121.88, is amended to read:

121.88 [DISTRICT PROGRAMS; CITIZENS ADVISORY COUNCIL.] *Subdivision 1. The board of education of each school district of the state is hereby authorized to initiate a community school program in its district and to provide for the general supervision of said program. Each board may, as it considers appropriate, employ community school directors and coordinators to further the purposes of the community school program. The salaries of the directors and coordinators shall be paid by the board.*

Subd. 2. Each board shall provide for a citizens advisory council to consist of members who represent : the various service organizations ; churches ; private schools ; local government ; park, recreation or forestry services of municipal or local government units located in whole or in part within the boundaries of the school district; and any other groups participating in the community school program in the school district.

Subd. 3. The council shall function in cooperation with the community school director in an advisory capacity in the interest of promoting the goals and objectives of sections 121.85 to 121.88.

Subd. 4. Each council shall adopt a policy to reduce and eliminate program duplication within the district.

Sec. 2. Minnesota Statutes 1976, Section 124.26, Subdivision 1, is amended to read:

124.26 [EDUCATION PROGRAMS FOR ADULTS.] Subdivision 1. For evening schools and continuing education programs for adults established for persons over 16 years of age and not in attendance upon regular day schools, the state shall compensate any district maintaining such programs in accordance with requirements established by the state board from funds appropriated for that purpose, or such funds combined with federal funds insofar as federal funds are available. ~~Beginning July 1, 1975; The state shall not reimburse expenditures from the 1974-1975 school year programs, but shall pay these aids for the 1975-1976 school year programs and for each year thereafter on a current funding basis. The portion of such compensation from state appropriation shall be 90 percent of the compensation paid each teacher for his services in such programs up to \$8,000 per year based on the costs in that current year. All classes shall be tuition free when taught by teachers subsidized under this section and there shall be no charge for registration, materials and supplies, or G.E.D. tests. Evening school and continuing education programs are defined as those public day or evening school programs which are established for persons over 16 years of age not in attendance at the full time elementary or secondary schools and which qualify such persons for the high school diploma, the high school equivalency certificate or for academic achievement at the secondary level.~~

Sec. 3. Minnesota Statutes 1976, Section 124.26, Subdivision 4, is amended to read:

Subd. 4. 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 August 31~~, December 31, and March 31. ~~The actual balance due the final aid distribution to each district shall be paid made on or before August October 31 of the following fiscal year.~~

Sec. 4. Minnesota Statutes 1976, Section 124.271, Subdivision 2, is amended to read:

Subd. 2. In fiscal year ~~1977 1978~~ 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 established ~~promulgated~~ by the state board and which has levied ~~at least~~ the lesser of \$1 per capita or the maximum permissible certified levy for community services pursuant to section 275.125, subdivision 8, *clause (1)*, for use in that year.

Sec. 5. Minnesota Statutes 1976, Section 275.125, Subdivision 8, is amended to read:

Subd. 8. (1) ~~In 1975, and each year thereafter, a district with a population of more than 15,000 persons which has established a community school advisory council pursuant to section 121.88 may levy an amount of money raised by the greater of (A) \$1 per capita, or (B) the number of EARC mills not to exceed the number of EARC mills necessary in 1973 to raise \$1 per capita in~~

1973, in 1975, 1977, and each year thereafter, a district with a population of fewer than 16,000 persons which has established a community school advisory council pursuant to section 121.88, may levy an amount of money raised by the greater of (A) \$2 per capita, or (B) the number of EARC mills not to exceed the number of EARC mills necessary in 1975 to raise \$2 per capita in 1975 amount certified pursuant to this subdivision in 1976. These levies shall be used for community services including summer school, nonvocational adult programs, recreation and leisure time activity programs, and programs contemplated by sections 121.85 to 121.88. For purposes of computing the levy limitation pursuant to this subdivision, the amount certified pursuant to this subdivision in 1976 shall not reflect reductions pursuant to subdivision 9.

(2) A district which provides 95 percent or more of the cost of the recreation program for the municipalities and townships in which the district or any part thereof is located and which levied pursuant to this clause in 1975 may, with the approval of the commissioner, levy an additional amount, not to exceed one mill times the adjusted assessed valuation of the district for the preceding year, to be used for the costs of the recreation program; provided that no district may levy pursuant to this clause an amount greater than its actual cost for providing these programs in the previous September to September period. In 1977 and each year thereafter, only Independent School Districts No. 77 and No. 624 shall be authorized to levy pursuant to this clause. Any district which levied pursuant to this clause in 1975 shall report to the department of education prior to January 16, 1977, on how these funds were expended.

(3) (2) A school district shall be authorized to make a levy pursuant to this subdivision only after it has filed a certificate of compliance with the commissioner of education, certifying that members of the school board have met with members of the governing bodies of the county, municipality or township in which the school district, or any part thereof, is located, in order to discuss methods of increasing mutual cooperation between such bodies. The certificate of compliance shall certify that the governing boards of the county, municipality and township in which the school district or any part thereof is located have been sent 15 working days written notice of a meeting and that a meeting has been held to discuss methods of increasing mutual cooperation between such bodies and the school board. The failure of a governing board of a county, municipality or township to attend the meeting shall not affect the authority of the school district to make a levy pursuant to this subdivision.

(4) (3) The population of the district for purposes of this subdivision is the population determined as provided in section 275.14 or as certified by the department of education from the most recent federal census.

Sec. 6. [REPEALER.] *Minnesota Statutes 1976, Section 124.271, Subdivision 1, is repealed.*

Sec. 7. [APPROPRIATIONS.] *Subdivision 1. There is appropriated from the general fund to the department of education the*

sums indicated in this section for the fiscal years ending June 30 in the years designated.

Subd. 2. [ADULT EDUCATION AID.] For adult education aid pursuant to section 124.26, there is appropriated:

\$594,000.....1978,

\$600,000.....1979.

(a) The appropriation in this subdivision for fiscal year 1978 includes not to exceed \$54,000 for the payment of the final adult education aid distribution to the districts for fiscal year 1977.

(b) The appropriation in this subdivision for fiscal year 1979 includes not to exceed \$60,000 for the payment of the final adult education aid distribution to the districts for fiscal year 1978.

Subd. 3. [G.E.D. REIMBURSEMENT AID.] For G.E.D. reimbursement aid pursuant to section 124.26, subdivision 3, there is appropriated:

\$80,000.....1978,

\$80,000.....1979.

Subd. 4. [COMMUNITY EDUCATION AID.] For community education aid pursuant to section 124.271, there is appropriated:

\$1,600,000.....1978,

\$1,700,000.....1979.

Subd. 5. Any unexpended balance remaining from the appropriation in this section for 1978 shall not cancel but shall be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for the purpose indicated is insufficient, the aid for that year shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of the appropriations in this section for these purposes.

Sec. 8. [EFFECTIVE DATE.] Section 3 of this article shall be effective the day following final enactment.

ARTICLE V

VOCATIONAL EDUCATION

Section 1. Minnesota Statutes 1976, Section 123.351, Subdivision 4, is amended to read:

Subd. 4. [POWERS AND DUTIES.] (a) The center board shall have the general charge of the business of the center and the ownership of facilities. Where applicable, section 123.36, shall apply. The center board may not issue bonds in its behalf. Each participating district may issue its bonds for the purpose of acquisition and betterment of center facilities in the amount certified by the center board to such participating district in accordance with chapter 475.

(b) The center board (1) may furnish vocational offerings to any eligible person residing in any participating district and ; (2) may provide special education for the handicapped and disadvantaged ; and (3) may provide any other educational programs or services agreed upon by the participating districts. Academic offerings shall be provided only under the direction of properly licensed academic supervisory personnel .

(c) In accordance with subdivision 5, clause (b), the center board shall certify to each participating district the amount of funds assessed to the district as its proportionate share required for the conduct of the educational programs, payment of indebtedness, and all other proper expenses of the center.

(d) The center board shall employ and contract with necessary qualified teachers and administrators and may discharge the same for cause pursuant to section 125.12. The board may employ and discharge other necessary employees and may contract for other services deemed necessary.

(e) The center board may provide an educational program for high school *secondary* and adult vocational phases of instruction. The high school phase of its educational program shall be offered as a component of the comprehensive curriculum offered by each of the participating school districts. Graduation shall be from the student's resident high school district. Insofar as applicable, sections 123.35 to 123.40, shall apply.

(f) The center board may prescribe rates of tuition for attendance in its programs by adults and nonmember district secondary students.

Sec. 2. Minnesota Statutes 1976, Section 123.351, Subdivision 5, is amended to read:

Subd. 5. [FINANCING.] (a) Any center board established pursuant to this section is a public corporation and agency and may receive and disburse federal, state, and local funds made available to it. No participating school district shall have any additional individual liability for the debts or obligations of the center except that assessment which has been certified as its proportionate share in accordance with subdivision 5, clause (b) and subdivision 4, clauses (a) and (c). A member of the center board shall have such liability as is applicable to a member of an independent school district board. Any property, real or personal, acquired or owned by the center board for its purposes shall be exempt from taxation by the state or any of its political subdivisions.

(b) The center board may, in each year, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred, assess and certify to each participating school district its proportionate share of any and all expenses. This share shall be based upon an equitable distribution formula agreed upon by the participating districts and approved by the state commissioner of education with approval by the state board of vocational education . Each participating

district shall remit its assessment to the center board within 30 days after receipt. The assessments shall be paid within the maximum levy limitations of each participating district.

Sec. 3. Minnesota Statutes 1976, Section 124.562, Subdivision 1, is amended to read:

124.562 [POST-SECONDARY VOCATIONAL FOUNDATION AID.] Subdivision 1. For the 1976-1977 school year A district shall receive post-secondary vocational foundation aid in the amount of ~~\$2,000~~ \$2,120 for fiscal year 1978 and \$2,240 for fiscal year 1979, times the number of post-secondary vocational-technical pupils in average daily membership, as defined in subdivision 2, less the sum of (1) any amounts received as tuition and fees for post-secondary vocational-technical pupils, (2) the amount raised by the minimum levy required in 1975 by section 275.125, subdivision 13, for collection in the calendar year ending in that fiscal year, and (3) any amounts received for post-secondary vocational programs as federal vocational categorical aid and as special grants from state allocations of federal vocational funds, unless these grants are used to fund additional services beyond the normal program.

Sec. 4. Minnesota Statutes 1976, Section 124.563, Subdivision 1, is amended to read:

124.563 [POST-SECONDARY VOCATIONAL CATEGORICAL AND CAPITAL EXPENDITURE AID.] Subdivision 1. "Post-secondary vocational categorical aid" means all state and federal funds, exclusive of post-secondary vocational foundation, capital expenditure and debt service aid, apportioned by the state board for vocational education to local school districts for the purpose of assisting in the conduct of post-secondary vocational-technical training. No district shall qualify for post-secondary vocational categorical aid unless it has certified the minimum levy required by section 275.125, subdivision 13. This aid shall be given to districts conducting high cost programs which require funds in addition to the post-secondary vocational foundation aid provided, including vocational education programs for handicapped or disadvantaged persons and support services necessary to provide vocational education in the least restrictive setting possible. Post-secondary vocational categorical aid shall not be allocated by the state board or expended by a district for any of the purposes for which post-secondary vocational capital expenditure aid is allocated or expended.

Sec. 5. Minnesota Statutes 1976, 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 before February 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. *A separate report shall be submitted for each distribution of each aid.* The report shall include (a) the recipients of the aid; (b) the amounts distributed, and (c) the *specific reasons for these distributions to each district* .

Sec. 6. Minnesota Statutes 1976, Section 124.565, Subdivision 1, is amended to read:

124.565 [POST-SECONDARY VOCATIONAL EDUCATION TUITION.] Subdivision 1. Any Minnesota resident who is under 21 years of age may attend a post-secondary vocational-technical school without tuition , provided that the individual meets the entrance requirements for the training course in which enrollment is sought and the school has the room and the facility to receive him.

Sec. 7. Minnesota Statutes 1976, Section 124.565, Subdivision 3, is amended to read:

Subd. 3. Tuition at a post-secondary vocational-technical school for a Minnesota resident pupil who does not come within the exemptions provided in subdivisions 1 and 2, shall be two dollars per day for each school day the pupil is enrolled.

Sec. 8. Minnesota Statutes 1976, Section 124.57, is amended to read:

124.57 [AID FOR VOCATIONAL EDUCATION.] *Subdivision 1.* Whenever any district shall have established a vocational school, department, or classes in accordance with the rules and regulations established by the state board adopted by that board, and the plan for vocational education, and approved by the United States office of education or other federal agency to which its functions are assigned, the state board shall reimburse such district or state tax supported institution for its expenditures for salaries and necessary travel of vocational teachers or other reimbursable expenditures from federal funds and may supplement such federal funds with such state aid as it may deem desirable under such rules as it may adopt, provided, however, that in the event of such funds not being sufficient to make such reimbursement in full, the state board shall prorate the respective amounts available to the various districts entitled to receive reimbursement. All instruction may be given at the place of the abode of the pupils , and adults may be given instruction in adjoining or nearby districts.

In like manner the state board shall have the power to reimburse other government agencies for expenditures for salaries and necessary travel expenses of vocational teachers from federal funds, according to rules and regulations adopted by the state board . *There shall be no reimbursement pursuant to this section for the*

salary or necessary travel of any vocational teacher who does not meet the work experience requirements for licensure pursuant to the state plan for vocational education.

Subd. 2. When local districts desire but cannot provide vocational instruction for the related training required by apprentices and other learners in the trade, industrial, and distributive fields, the state board is empowered upon request of such local district or districts to employ itinerant vocational teachers to provide this service and pay the salary and necessary travel expense from authorized federal and state vocational aid funds under such rules as it may adopt. An itinerant vocational teacher in this section is defined as a vocational teacher employed to give part-time or periodic vocational instruction in one or more districts.

This section Subd. 3. Subdivision 1 shall apply only to secondary and adult vocational education programs in the 1977-1978 school year. Sections 124.561 to 124.565 shall not apply to secondary and adult vocational education programs. Laws 1975, Chapter 422, Section 68 shall be effective July 1, 1976.

Sec. 9. Minnesota Statutes 1976, Section 124.572, is amended to read:

124.572 [CURRENT FUNDING FOR ADULT VOCATIONAL EDUCATION.] Subdivision 1. The purpose of this section is to change the method of funding adult vocational programs from reimbursement based on past expenditures to a current funding basis. Beginning July 1, 1977, the state shall not reimburse expenditures from the 1976-1977 school year programs, but shall pay aids for the 1977-1978 school year programs and for each year thereafter on a current funding basis.

Subd. 2. In the 1977-1978 school year and thereafter, the state shall pay to any district or cooperative vocational center 75 percent of the salaries paid to essential, licensed personnel in that school year for services rendered in that district's or center's adult vocational education programs. In addition, the state shall pay 50 percent of the costs of necessary travel between instructional sites by adult vocational education teachers. The aid paid by the state for salaries and travel pursuant to this subdivision shall be reduced by any authorized federal vocational aid funds paid by the department to that district or center for adult vocational education programs.

Subd. 3. This aid shall be paid only for services rendered or for travel costs incurred in adult vocational education programs approved by the state department of education and operated in accordance with rules promulgated by the state board; provided, in 1977-1978 the department may pay this aid for programs operated in accordance with the state plan for vocational education and current state board rules. By 1978-1979, these rules shall provide minimum student-staff ratios required for an adult vocational education program to qualify for this aid. Except as provided in section 125.185, subdivision 4, by 1978-1979 rules relating to adult vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference.

Subd. 4. Boards may charge tuition for participation in adult vocational education programs. Nothing in this section shall prohibit the charging of differential tuition rates for residents or nonresidents of a district. If adult vocational education is provided by another district or a cooperative center by contract pursuant to subdivision 5, the contract shall provide for this issue.

Subd. 5. Any board may contract with the board of a district containing a post-secondary vocational-technical school or the board of a cooperative center for the provision of adult vocational education services. The board providing these services may also act as fiscal agent for the other contracting district if so agreed. Information copies of all contracts shall be provided to the state department.

Subd. 6. All adult vocational education aid shall be paid to the district or cooperative center providing the services. The district providing the services may bill the contracting district for any unpaid costs incurred in providing these services if so agreed in the contract.

Subd. 7. Each district providing adult vocational education shall establish and maintain separate accounts for the receipt and disbursement of all funds related to these adult vocational education programs. All adult vocational education aid received by the district from any source shall be utilized solely for the purposes of adult vocational education programs.

Subd. 8. The state shall pay to each school district 30 percent of its estimated adult vocational education aid for the school year on or before the following dates: August 31, December 31 and March 31. The final aid distribution to the district shall be made on or before October 31 of the following school year. All adult vocational education aids shall be computed and distributed by the state aids, statistics, and research section of the state department of education.

Subd. 9. Effective July 1, 1978, any individual enrolled in an adult farm management program for longer than six years shall be charged a tuition rate equal to the full cost of the program attributable to that individual.

Sec. 10. Minnesota Statutes 1976, Section 124.573, is amended to read:

124.573 [CURRENT FUNDING FOR SECONDARY VOCATIONAL EDUCATION.] *Subdivision 1. The purpose of this section is to change the method of funding secondary vocational programs from reimbursement based on past expenditures to a current funding basis. Beginning July 1, 1978, the state shall not reimburse expenditures from the 1977-1978 school year programs, but shall pay aids for the 1978-1979 school year programs and for each year thereafter on a current funding basis.*

Subd. 2. In the 1978-1979 school year and thereafter, the state shall pay to any district or cooperative center 50 percent of the salaries paid to essential, licensed personnel in that school year

for services rendered in that district's or center's secondary vocational education programs. In addition, the state shall pay 50 percent of the costs of necessary equipment for these programs and 50 percent of the costs of necessary travel between instructional sites by secondary vocational education teachers. The aid paid by the state for salaries, equipment and travel pursuant to this subdivision shall be reduced by any authorized federal vocational aid funds paid by the department to that district or center for secondary vocational education programs.

Subd. 3. This aid shall be paid only for services rendered or for the costs designated in subdivision 2 which are incurred in secondary vocational education programs approved by the state department of education and operated in accordance with rules promulgated by the state board. These rules shall provide minimum student-staff ratios required for a secondary vocational education program in a cooperative center to qualify for this aid, but shall not require any minimum number of program offerings or administrative staff or the availability of vocational student activities or organizations for a secondary vocational education program to qualify for this aid. The requirement in these rules that program components be available for a minimum number of hours shall not be construed to prevent pupils from enrolling in secondary vocational education courses on an exploratory basis for less than a full school year. Except as provided in section 125.185, subdivision 4, rules relating to secondary vocational education programs shall not incorporate the provisions of the state plan for vocational education by reference. This aid shall be paid only for services rendered and for travel costs incurred by essential, licensed personnel who meet the work experience requirements for licensure pursuant to the state plan for vocational education.

Subd. 4. All secondary vocational education aid shall be paid to the district or cooperative center providing the services. All secondary vocational education aid received by a district or center from any source shall be utilized solely for the purposes of secondary vocational education programs.

Subd. 5. The state shall pay to each school district and center 30 percent of its estimated secondary vocational education aid for salaries and travel for the school year on or before the following dates: August 31, December 31 and March 31. The state shall pay 90 percent of a district's estimated secondary vocational education aid for equipment for the school year on or before August 31. The final aid distribution to the district shall be made on or before October 31 of the following school year. All secondary vocational education aids shall be computed and distributed by the state aids, statistics, and research section of the state department of education.

Sec. 11. Minnesota Statutes 1976, Chapter 136A, is amended by adding a section to read:

[136A.236] [TUITION SUBSIDIES FOR POST-SECONDARY VOCATIONAL-TECHNICAL SCHOOL STUDENTS.] Subdivision 1. The higher education coordinating board shall supervise a program of tuition subsidies for certain students

attending public post-secondary vocational-technical schools established pursuant to section 121.21.

Subd. 2. Effective July 1, 1978, any Minnesota resident who is under 21 years of age, who attends a public post-secondary vocational-technical school, and who is not receiving a state scholarship or grant-in-aid for the current year of attendance, shall be eligible to apply for a tuition subsidy pursuant to this section of this article.

Subd. 3. Recipients of these tuition subsidies shall be selected by the public post-secondary vocational-technical school of attendance, in accordance with rules and procedures adopted by the higher education coordinating board.

Subd. 4. A student attending a public post-secondary vocational-technical school may delay tuition payments for the period of enrollment during which his application for a tuition subsidy pursuant to this section is being processed. If his application for a subsidy is denied and he therefore promptly withdraws from the school, his tuition for that period shall be forgiven.

Subd. 5. The amount of any tuition subsidy award shall be based on the need of the applicant determined by the school in accordance with rules adopted by the higher education coordinating board, but the amount of an award shall not exceed 75 percent of the cost of tuition for the student's program pursuant to section 124.565.

Subd. 6. Tuition subsidies pursuant to this section shall be awarded for the lesser of one year or the period approved by the state board of education for completion of the program, in accordance with rules and procedures of the higher education coordinating board. Awards shall not be renewable but the recipient of an award may apply for additional awards for subsequent periods or years.

Subd. 7. Funds appropriated for tuition subsidies pursuant to this section of this article shall be distributed to the public post-secondary vocational-technical schools by the higher education coordinating board according to rules and procedures adopted by the board.

Sec. 12. Minnesota Statutes 1976, Section 275.125, Subdivision 13, is amended to read:

Subd. 13. Districts maintaining a post-secondary vocational-technical school shall levy for post-secondary vocational-technical purposes as follows:

(1) For districts in cities of the first class, a ~~minimum~~ of one-half mill up to a ~~maximum~~ of one mill, exclusive of debt service, times the adjusted assessed valuation of the taxable property of the district for the preceding year as determined by the equalization aid review committee.

(2) For districts formed pursuant to Laws 1967, Chapter 822, as amended, and Laws 1969, Chapters 775 and 1060 as amended, a ~~minimum~~ of one-half mill up to a ~~maximum~~ of one mill, exclu-

sive of debt service, times the adjusted assessed valuation of the taxable property of the district for the preceding year as determined by the equalization aid review committee.

(3) For other districts maintaining post-secondary vocational schools, a minimum of one mill up to a maximum of three mills, exclusive of debt service, times the adjusted assessed valuation of the taxable property of the district for the preceding year as determined by the equalization aid review committee.

Sec. 13. Laws 1967, Chapter 822, Section 7, as amended by Laws 1969, Chapter 945, Section 2, and Laws 1975, Chapter 432, Section 84, is amended to read:

Sec. 7. [TAX LEVIES.] The joint school board shall each year, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred for area vocational-technical schools, certify to each participating school district the tax levy specified in *Minnesota Statutes*, Section 76 275.125, *Subdivision 13*, Clause (2) of this act. Additional tax levies may be certified which shall not in any year exceed .6 mills on each dollar of adjusted assessed valuation for expenses for special education and .7 mills on each dollar of adjusted assessed valuation for expenses for secondary vocational education. Each participating school district shall include such tax levies in the next tax roll which it shall certify to the county auditor or auditors, and shall remit the collections of such levies to the board promptly when received. Such levies shall not be included in computing the limitations upon the levy of any district under *Minnesota Statutes*, Section 275.125. The board may, any time after such levies have been certified to the participating school districts, issue and sell certificates of indebtedness in anticipation of the collection of such levies, but in aggregate amounts such as will not exceed the portion of the levies which are is then not collected and not delinquent.

Sec. 14. Laws 1969, Chapter 775, Section 4, Subdivision 2, as amended by Laws 1971, Chapter 267, Section 3, and Laws 1975, Chapter 432, Section 85, is amended to read:

Subd. 2. The intermediate school board shall in each year for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred certify to each county auditor of each county in which said intermediate school district shall lie, as a single taxing district, the tax levy specified in *Minnesota Statutes*, Section 76 275.125, *Subdivision 13*, Clause (2) of this act. Additional tax levies may be certified which shall not in any year exceed .6 mills on each dollar of adjusted assessed valuation for expenses for special education and .5 mills on each dollar of adjusted assessed valuation for expenses for secondary vocational education. Said annual tax levies shall be certified pursuant to *Minnesota Statutes*, Section 124.02. Upon such certification the county auditor or auditors and other appropriate county officials shall levy and collect such levies and remit the proceeds of collection thereof to the intermediate school district as in the case with independent school districts. Such levies shall not be included in computing the limitations, if any, upon the levy of the intermediate district or any of the participating districts under *Minnesota Statutes*, Section

275.125. After such levies have been certified to the appropriate county officials the intermediate school board may issue and sell by negotiation or a public sale its certificates of indebtedness in anticipation of the collection of such levies, but in aggregate amount such as will not exceed the portion of such tax levy which is then not collected and not delinquent.

Sec. 15. Laws 1969, Chapter 1060, Section 7, as amended by Laws 1975, Chapter 432, Section 86, is amended to read:

Sec. 7. [TAX LEVIES.] The joint school board shall each year, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred for area vocational-technical schools, certify to each participating school district the tax levy specified in *Minnesota Statutes*, Section 76 275.125, *Subdivision 13*, Clause (2) of this act. Additional tax levies may be certified which shall not in any year exceed .6 mills on each dollar of adjusted assessed valuation for expenses for special education and .5 mills on each dollar of adjusted assessed valuation for expenses for secondary vocational education. Each participating school district shall include such tax levies in the next tax roll which it shall certify to the county auditor or auditors, and shall remit the collections of such levies to the board promptly when received. Such levies shall not be included in computing the limitations upon the levy of any district under *Minnesota Statutes*, Section 275.125. The board may, any time after such levies have been certified to the participating school districts, issue and sell certificates of indebtedness in anticipation of the collection of such levies, but in aggregate amounts such as will not exceed the portion of the levies which are is then not collected and not delinquent.

Sec. 16. [REPEALERS.] *Minnesota Statutes 1976, Sections 124.562, Subdivisions 5 and 6; 124.563, Subdivision 4; and 124.565, Subdivision 5, are repealed.*

Sec. 17. [REPEALERS.] *Minnesota Statutes 1976, Sections 124.565, Subdivision 2; and 124.57, Subdivisions 1 and 3, as added by section 8 of this article, are repealed effective July 1, 1978.*

Sec. 18. [NEEDS ASSESSMENT APPROPRIATION.] *The state board of education shall conduct a statewide needs assessment for the purpose of determining future program needs for services to handicapped or disadvantaged students in vocational-technical education. Information for this needs assessment shall include data collected by the division of special and compensatory education, and the division of vocational-technical education, concerning the vocational-technical training needs of handicapped and disadvantaged students. The results of this assessment shall be reported to the state legislature by February, 1978. The sum of \$15,000 is appropriated from the general fund to the department of education for the purposes of this section to be available until March 1, 1978.*

Sec. 19. [TUITION SUBSIDIES APPROPRIATION.] *There is appropriated from the general fund to the higher education*

coordinating board for the biennium ending June 30, 1979, the sum of \$3,600,000 for the program of tuition subsidies established pursuant to section 11 of this article. This amount includes \$15,000 for the expenses of the higher education coordinating board in administering the program.

Sec. 20. [APPROPRIATIONS.] *Subdivision 1: There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.*

Subd. 2. [POST-SECONDARY VOCATIONAL FOUNDATION AID.] For post-secondary vocational foundation aid, there is appropriated:

\$59,675,000 1978,

\$56,100,000 1979.

Subd. 3. [POST-SECONDARY VOCATIONAL CATEGORICAL AID.] For post-secondary vocational categorical aid, there is appropriated:

\$7,668,000 1978,

\$7,645,000 1979.

These appropriations are based on the assumption that the state will spend for post-secondary vocational categorical aid an amount equal to \$4,732,000 in fiscal year 1978 and \$4,755,000 in fiscal year 1979, of federal money received for vocational education programs pursuant to the Vocational Education Act of 1963, as amended.

Subd. 4. [POST-SECONDARY VOCATIONAL CAPITAL EXPENDITURE AID.] For post-secondary vocational capital expenditure aid, there is appropriated:

\$6,000,000 1978,

\$6,000,000 1979.

Subd. 5. [POST-SECONDARY VOCATIONAL DEBT SERVICE AID.] For post-secondary vocational debt service aid, there is appropriated:

\$7,608,380 1978,

\$7,814,865 1979.

Subd. 6. [POST-SECONDARY VOCATIONAL DEFICIT PAYMENT.] For the post-secondary vocational deficit payment, there is appropriated:

\$1,188,925 1978.

Subd. 7. [ADULT VOCATIONAL EDUCATION AID.] For adult vocational education aid there is appropriated:

\$4,500,000 1978,

\$5,450,000 1979.

(a) *The appropriation in this subdivision for fiscal year 1979 includes not to exceed \$500,000 for the payment of the final adult vocational education aid distribution to each district for fiscal year 1978 of which not to exceed \$18,000 is for necessary travel.*

(b) *The appropriations in this subdivision also include not to exceed \$162,180 in 1978 and \$177,500 in 1979 for necessary travel.*

Subd. 8. [VETERAN FARMER COOPERATIVE TRAINING PROGRAMS.] *For veteran farmer cooperative training programs there is appropriated:*

- \$1,729,660.....1978,
- \$1,218,200.....1979.

These appropriations are for state reimbursement for the veteran farmer cooperative training program established under the Veterans Readjustment Benefits Act of 1966, as amended.

Subd. 9. [SECONDARY VOCATIONAL EDUCATION AID.] *For secondary vocational education aid there is appropriated:*

- \$16,000,000.....1978,
- \$16,200,000.....1979.

(a) *The appropriation in this subdivision for 1978 is based on expenditures in the 1976-1977 school year and the appropriation in this subdivision for 1979 is aid for 1979, payable on a current funding basis.*

(b) *The appropriations in this subdivision include not to exceed \$1,120,000 in 1978 and not to exceed \$1,134,000 in 1979 for aid for equipment for secondary vocational education programs.*

Subd. 10. *Any unexpended balance remaining from the appropriation in this section for 1978 shall not cancel but shall be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for the purpose indicated is insufficient, the aid for that year shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of the appropriations in this section for these purposes.*

Sec. 21. [EFFECTIVE DATE.] *Sections 6 and 7 of this article shall be effective July 1, 1978.*

**ARTICLE VI
OTHER AID AND LEVY PROGRAMS**

Section 1. *Minnesota Statutes 1976, Section 123.742, Subdivision 1, is amended to read:*

123.742 [ASSISTANCE TO LOCAL SCHOOL DISTRICTS.]
Subdivision 1. *Insofar as possible, the state board of education and educational cooperative service units shall make technical assistance for planning and evaluation available to school districts upon request during the 1976-1977 school year. The department*

shall collect the annual evaluation reports from local districts as provided in section 123.741, subdivision 5, and shall make this data available upon request to any district seeking to use it for purposes of comparisons of student performance.

Sec. 2. Minnesota Statutes 1976, Chapter 124, is amended by adding a section to read:

[124.214] [AID ADJUSTMENTS.] *No adjustments to any aid payments made pursuant to chapter 124, resulting from omissions in school district reports, except those adjustments determined by the legislative auditor, shall be made for any school year after December 15 of the next school year, unless otherwise specifically provided by law.*

Sec. 3. Minnesota Statutes 1976, Section 124.24, is amended to read:

124.24 [EMERGENCY AID.] *Subdivision 1. Emergency aid is money paid by the state to a district which by reason of physical calamity, high tax delinquency or excessive debt, or a combination thereof, or by other justifiable cause is unable by taxation to collect sufficient revenue to maintain its schools therefrom on in compliance with minimum standards established by the state board. Such aid will be paid only when specifically directed by the state board.*

Subd. 2. Any school district which applies for aid under this section shall be subject to a review of its total financial condition by representatives of the state board of education to determine the need for assistance.

Sec. 4. Minnesota Statutes 1976, Chapter 124, is amended by adding a section to read:

[124.245] [CAPITAL EXPENDITURE EQUALIZATION AID.] *Subdivision 1. The state shall pay a school district the difference by which an amount equal to \$75 per pupil unit in that school year or, in districts where the pupil unit count is increased pursuant to section 124.17, subdivision 1, clause (7) \$80 per pupil unit in that school year, exceeds the amount raised by 10 mills times the adjusted assessed valuation of the taxable property in the district for the preceding year. In order to qualify for aid pursuant to this section in any year, a district must have levied the full 10 EARC mills for use for capital expenditures in that year pursuant to section 124.04 or section 9 of this article.*

Subd. 2. As used in this section, pupil units shall include only those units identified in section 124.17, subdivision 1, clauses (1), (2), (4), (5), (6) and (7).

Subd. 3. All capital expenditure equalization aid shall be distributed prior to November 1 of each year.

Sec. 5. Minnesota Statutes 1976, Section 124.38, Subdivision 7, is amended to read:

Subd. 7. "Maximum effort debt service levy" means the lesser of (1) a levy in a total dollar amount computed as 20 mills on the adjusted assessed value; except that the maximum effort debt

service levy of or (2) a levy in whichever of the following amounts is applicable:

(a) In any school district having which received a debt service or capital loan from the state before January 1, 1965, shall be a levy in a total dollar amount computed as 4.10 mills on the market value in each year, unless the district applies or has applied for an additional loan subsequent to January 1, 1965, or issues or has issued bonds on the public market, other than bonds refunding state loans, subsequent to January 1, 1967; and except that the maximum effort debt service levy of

(b) In any school district granted a debt service or capital loan between January 1, 1965, and July 1, 1969, shall be a levy in a total dollar amount computed as 5½ mills on the market value in each year, until and unless the district receives an additional loan; and except that the maximum effort debt service levy of or

(c) In any school district granted a debt service or capital loan between July 1, 1969 and July 1, 1975 shall be a levy in a total dollar amount computed as 6.3 mills on market value in each year until and unless the district has received an additional loan.

Sec. 6. Minnesota Statutes 1976, Chapter 124, is amended by adding a section to read:

[124.646] [SCHOOL LUNCH AID.] *Subdivision 1. School districts shall be paid by the state in the amount of four cents for each full paid student type "A" lunch served to students in the district.*

Subd. 2. School districts shall not be paid by the state for free or reduced price type "A" lunches served by the district.

Subd. 3. School districts shall apply to the state department of education for this payment on forms provided by the department.

Sec. 7. Minnesota Statutes 1976, Section 273.138, Subdivision 3, is amended to read:

Subd. 3. Each school district shall receive reimbursement in 1974 and subsequent years in an amount equal to the product of its 1972 assessed value of real property exempted from taxation by section 272.02, subdivision 4 Laws 1973, Chapter 650, Article XXIV, Section 1, times the sum of its 1972 payable 1973 mill rates for the following levies:

~~(1)~~ A levy for capital outlay, pursuant to section 124.04;

~~(2)~~ (1) A levy to pay the principal and interest on bonded indebtedness, including the levy to pay the principal and interest on bonds issued pursuant to Minnesota Statutes 1974 1971, Section 275.125, Subdivision 3 ~~(7)~~, Clause (6) (c);

~~(3)~~ (2) A levy to pay the principal and interest on debt service loans, pursuant to Minnesota Statutes 1971, Section 124.42;

~~(4)~~ (3) A levy to pay the principal and interest on capital loans, pursuant to Minnesota Statutes 1971, Section 124.43;

(5) (4) A levy to pay amounts required in support of a teacher retirement fund, pursuant to *Minnesota Statutes 1971, Section 422A.08 422.13* ;

(6) (5) A levy for additional maintenance cost in excess of 20 30 mills times the adjusted assessed valuation of the school district, pursuant to *Minnesota Statutes 1971, Section 275.125, subdivisions 6 or 7 Subdivision 3, Clause (4)*.

For the purpose of this subdivision, a school district mill rate for any of the forementioned levies which was not applied to the total taxable value of such school district shall be added to the forementioned sum of mill rates as if it had been applied to the entire taxable value of the school district.

Sec. 8. *Minnesota Statutes 1976, Section 275.125, Subdivision 4*, is amended to read:

Subd. 4. A school district may levy the amounts necessary to make payments for bonds issued and for interest thereon, including the bonds and interest thereon, issued as authorized by section 275.125, subdivision 3, clause (7) (C), as it read in *Minnesota Statutes 1974*; the amounts necessary for repayment of debt service loans and capital loans; the amount authorized for capital expenditures pursuant to section 124.04; and the amounts necessary to pay the district's obligations under section 6.62; the amount authorized for liabilities of dissolved districts pursuant to section 122.45; the amounts necessary to pay the district's obligations under section 268.06, subdivision 25; and the amounts necessary to pay the district's obligations under section 127.05.

Sec. 9. *Minnesota Statutes 1976, Section 275.125*, is amended by adding a subdivision to read:

Subd. 11a. (a) A school district may levy an amount not to exceed the amount equal to \$75 per pupil unit or, in districts where the pupil unit count is increased pursuant to section 124.17, subdivision 1, clause (7), \$80 per pupil unit. For purposes of computing allowable levies under section 275.125, pupil units shall include only those units identified in section 124.17, subdivision 1, clauses (1), (2), (4), (5), (6) and (7). No levy under this subdivision shall exceed 10 mills times the adjusted assessed valuation of the taxable property in the district for the preceding year, notwithstanding the provisions of sections 272.64 and 275.49.

(b) The proceeds of the tax may be used only to acquire land, to equip and reequip buildings and permanent attached fixtures, and to pay leasing fees for computer systems hardware, computer terminals and telecommunications equipment, and related proprietary software. The proceeds of the tax may also be used for capital improvement and repair of school sites, buildings and permanent attached fixtures and for the payment of any special assessments levied against the property of the district authorized pursuant to section 435.19 or any other law or charter provision authorizing assessments against publicly owned property; provided that a district may not levy amounts to pay assessments for service charges, including but not limited to those described

in section 429.101, whether levied pursuant to that section or pursuant to any other law or home rule provision. The proceeds of the tax may also be used for capital expenditures for the purpose of reducing or eliminating barriers to or increasing access to school facilities by handicapped individuals.

(c) Subject to the commissioner's approval, the tax proceeds may also be used to rent or lease buildings for school purposes and to acquire or construct buildings. The state board shall promulgate rules establishing the criteria to be used by the commissioner in approving and disapproving district applications requesting the use of capital expenditure tax proceeds for the renting or leasing of buildings for school purposes and the acquisition or construction of buildings. The approval criteria for purposes of building acquisition and construction shall include: the appropriateness of the proposal with respect to the district's long term needs; the availability of adequate existing facilities; and the economic feasibility of bonding because of the proposed building's size or cost.

(d) The board shall establish a fund in which the proceeds of this tax shall be accumulated until expended.

(e) The proceeds of the tax shall not be used for custodial or other maintenance services.

1. Sec. 10. Minnesota Statutes 1976, Section 275.125, Subdivision 12, is amended to read:

Subd. 12. When a district finds it economically advantageous to rent or lease existing school buildings for instructional purposes, and the proceeds of the levy permitted under section 124.04 or section 9 of this article are insufficient for this purpose, it may apply to the commissioner for permission to make an additional capital expenditure levy for this purpose. An application for permission to levy under this clause shall contain financial justification for the proposed levy, the terms and conditions of the proposed lease, and a description of the space to be leased and its proposed use. The criteria for approval of applications to levy under this clause shall include: the reasonableness of the price, the appropriateness of the space to the proposed activity, the feasibility of transporting pupils to the leased building, conformity of the lease to the laws and regulations of the state of Minnesota, and the appropriateness of the proposed lease to the space needs and the financial condition of the district. The commissioner shall not authorize a levy under this clause in an amount greater than the cost to the district of renting or leasing a school building for approved purposes. *The proceeds of this levy shall not be used for custodial or other maintenance services.*

Sec. 11. Minnesota Statutes 1976, Section 466.06, is amended to read:

466.06 [LIABILITY INSURANCE.] The governing body of any municipality may procure insurance against liability of the municipality and its officers, employees, and agents for damages resulting from its torts and those of its officers, employees, and

agents, including torts specified in section 466.03 for which the municipality is immune from liability; and such insurance may provide protection in excess of the limit of liability imposed by section 466.04. If the municipality has the authority to levy taxes, the premium costs for such insurance may be levied in excess of any per capita or millage tax limitation imposed by statute or charter ; *provided, a school district may not levy for premium costs pursuant to this section .* Any independent board or commission in the municipality having authority to disburse funds for a particular municipal function without approval of the governing body may similarly procure liability insurance with respect to the field of its operation. The procurement of such insurance constitutes a waiver of the defense of governmental immunity to the extent of the liability stated in the policy but has no effect on the liability of the municipality beyond the coverage so provided.

Sec. 12. [EDUCATIONAL AIDS FOR NONPUBLIC SCHOOL CHILDREN.] *Notwithstanding any law to the contrary, the state board shall not, prior to July 1, 1979, enforce or allot funds pursuant to Minnesota Statutes, Sections 123.934 and 123.935 or any rules promulgated under those sections.*

Sec. 13. [REPEALER.] *Minnesota Statutes 1976, Sections 124.04; 124.215, Subdivisions 2a, 3, 4, 5, 7 and 8; 124.221; 124.23; 124.25; 124.30; 126.021; 126.022; 126.024; 273.138, Subdivision 7; 473.633; and 473.635 are repealed. Minnesota Statutes 1976, Section 123.40, Subdivision 7 is repealed effective December 31, 1979.*

Sec. 14. [APPROPRIATION.] *There is appropriated from the general fund to the department of education the sum of \$100,000 for the year ending June 30, 1978 and the sum of \$100,000 for the year ending June 30, 1979. The department shall pay this sum to Independent School District No. 625 for its career study centers programs upon receipt of a resolution by the school board of that district that (1) it will establish and maintain an account separate from all other district accounts for the receipt and disbursement of all funds related to these career study center programs, (2) that the full foundation aid formula allowance per pupil unit attributable to each student enrolled in a career studies program, including that portion earned pursuant to Minnesota Statutes, Section 124.17, Subdivision 1, Clauses (4) and (5), will be deposited by the district in that account, and (3) that the moneys deposited in that account shall be used solely for the purposes of the career study centers programs. For the purposes of this section, the foundation aid formula allowance per pupil unit for Independent School District No. 625 shall be \$1,030 for the 1977-1978 school year and \$1,090 for the 1978-1979 school year.*

Sec. 15. [APPROPRIATION.] *There is appropriated from the general fund to the department of education the sum of \$320,000 for the year ending June 30, 1977, the sum of \$160,000 for the year ending June 30, 1978 and the sum of \$80,000 for the year ending June 30, 1979. Of these amounts, the department shall pay the following sums to the following school districts for the fiscal year designated: to Independent School District No. 691, \$120,000 for 1977, \$60,000 for 1978, and \$30,000 for 1979; to Independent*

School District No. 694, \$88,000 for 1977, \$44,000 for 1978, and \$22,000 for 1979; to Independent School District No. 695, \$40,000 for 1977, \$20,000 for 1978, and \$10,000 for 1979; to Independent School District No. 699, \$72,000 for 1977, \$36,000 for 1978, and \$18,000 for 1979. These amounts shall be paid to replace and phase out aids these districts would have received pursuant to Minnesota Statutes 1974, Sections 124.801 to 124.806 were it not for the provisions of Laws 1975, Chapter 432, Section 98. The state shall never be obligated for any further payments for this purpose.

Sec. 16. [DEFICIENCY APPROPRIATION.] *The sum of \$70,000 is appropriated from the general fund to the department of education for the year ending June 30, 1976 and the sum of \$116,000 is appropriated for the year ending June 30, 1977. These appropriations are for the payment of a deficiency in funds available for payment of state aid for extraordinary tax delinquency pursuant to section 124.241 in those years, and shall be added to the sums appropriated for that purpose for those years in Laws 1975, Chapter 432, Section 96, Clause (19).*

Sec. 17. [APPROPRIATION.] *There is appropriated to the department of education from the general fund the sum of \$200,000 for the biennium ending June 30, 1979 for the purpose of providing operational educational cooperative service units with funds to assist in meeting the costs of rendering technical assistance to local school districts for planning and evaluation pursuant to Minnesota Statutes, Section 123.742. Each ECSU shall receive up to \$20,000, except that the ECSU whose boundaries coincide with the boundaries of development region 11 shall receive up to \$40,000.*

Sec. 18. [APPROPRIATIONS.] *Subdivision 1. There is appropriated from the general fund to the department of education the sums indicated in this section for the fiscal years ending June 30 in the years designated.*

Subd. 2. [EDUCATIONAL COOPERATIVE SERVICE UNITS.] *For educational cooperative service units, there is appropriated:*

- \$499,950 1978,
- \$499,950 1979.

Each year funds from this appropriation shall be transmitted to an ECSU board of directors in the amount of \$45,450 per ECSU as defined in section 123.58, except that the ECSU whose boundaries coincide with the boundaries of development region 11 shall receive \$90,900 each year.

Subd. 3. [STATE AID FOR EXTRAORDINARY TAX DELINQUENCY.] *For state aid for extraordinary tax delinquency pursuant to section 124.241, there is appropriated:*

- \$200,000 1978,
- \$200,000 1979.

Subd. 4. [CAPITAL EXPENDITURE EQUALIZATION

AID.] For capital expenditure equalization aid, pursuant to section 4 of this article there is appropriated:

\$560,000 1978,

\$300,000 1979.

Subd. 5. [ELIGIBLE TEACHER PROGRAM.] For eligible teacher program aid, there is appropriated:

\$112,500 1978,

\$ 60,000 1979.

Subd. 6. [EMERGENCY AID.] For emergency aid pursuant to section 124.24 there is appropriated:

\$400,000 1978.

Subd. 7. [GROSS EARNINGS AID.] For gross earnings aid pursuant to sections 124.28, 124.281 and 124.29, there is appropriated:

\$300,000 1978,

\$300,000 1979.

Subd. 8. Any unexpended balance remaining from the appropriation in this section for 1978 shall not cancel but shall be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for the purpose indicated is insufficient, the aid for that year shall be prorated among all qualifying districts and the state shall not be obligated for any amount in excess of the appropriations in this section for these purposes.

Sec. 19. [EFFECTIVE DATE.] Sections 15 and 16 of this article shall be effective the day following final enactment.

ARTICLE VII

MISCELLANEOUS PROVISIONS

Section 1. Minnesota Statutes 1976, Chapter 6, is amended by adding a section to read:

[6.515] [AUDIT OF FEDERAL MONEYS.] The state auditor, in respect to any political subdivision over which he has audit jurisdiction provided by chapter 6, is empowered to examine all accounts and records of the subdivision relating to funds consisting in whole or part of moneys received from the federal government or any agency thereof.

Sec. 2. Minnesota Statutes 1976, Section 120.10, Subdivision 1, is amended to read:

120.10 [COMPULSORY ATTENDANCE.] Subdivision 1. [AGES AND TERM.] Every child between seven and 16 years of age shall attend a public school, or a private school, for a minimum term, as defined by the state board, during the entire time

that the school is in session during any school year. No child shall be required to attend a public school more than a maximum term, as defined by the state board 200 days or their equivalent , during any school year.

Sec. 3. Minnesota Statutes 1976, Section 120.10, Subdivision 2, is amended to read:

Subd. 2. [SCHOOL.] A school, to satisfy the requirements of compulsory attendance, must be one : (1) in which all the common branches are taught in the English language, from textbooks written in the English language, and taught by teachers whose qualifications are essentially equivalent to the minimum standards for public school teachers of the same grades or subjects *and* (2) *which is in session each school year for at least 175 days or their equivalent* . A foreign language may be taught when such language is an elective or a prescribed subject of the curriculum, but not to exceed one hour in each day.

Sec. 4. Minnesota Statutes 1976, Section 121.11, Subdivision 5, is amended to read:

Subd. 5. [UNIFORM SYSTEM OF RECORDS AND OF ACCOUNTING.] The state board shall prepare a uniform system of records for public schools, require reports from superintendents and principals of schools, teachers, school officers, and the chief officers of public and other educational institutions, to give such facts as it may deem of public value. Beginning in fiscal year 1977, all reports required of school districts by the state board shall be in conformance with the uniform financial accounting and reporting system adopted pursuant to section 121.902. With the cooperation of the legislative state auditor, the state board shall establish and carry into effect a uniform system of accounting by public school officers and it shall have authority to supervise and examine the accounts and other records of all public schools.

Sec. 5. Minnesota Statutes 1976, Section 121.902, is amended to read:

121.902 [COUNCIL RECOMMENDATIONS.] Subdivision 1. The council shall recommend to the state board uniform financial accounting and reporting standards for school districts. ~~From October 1, 1976,~~ The state board shall adopt *and maintain* uniform financial accounting and reporting standards which are consistent with sections 121.90 to 121.92 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 initial adoption *and maintenance* of these standards. ~~In periodically revising these standards, the board need not meet the requirements of chapter 15, but these revisions shall not be effective until 20 days after their publication in the state register.~~ Any interested person may petition the state board for revision of these standards. Upon receipt of such a petition, the state board shall proceed according to section 15.0412.

Sec. 6. *Notwithstanding the provisions of sections 15.0412 or 121.914, subdivision 2, the state board may promulgate emergency rules relating to standards for the establishment of a uniform auditing or other verification procedure to determine whether a statutory operating debt exists in any Minnesota school district as of June 30, 1977, without compliance with the provisions of section 15.0412, subdivision 4. These rules are to be effective for not longer than 75 days and may be reissued or continued in effect for an additional 75 days, but may not immediately be reissued thereafter without following the procedure of section 15.0412, subdivision 4. These emergency rules shall be published in the state register as soon as practicable.*

Sec. 7. Minnesota Statutes 1976, Section 121.908, is amended by adding a subdivision to read:

Subd. 3a. Prior to July 1, 1978 and July 1 of each year thereafter, the school board of each district shall approve and adopt its revenue and expenditure budgets for the next school year. The budget document so adopted shall be considered an expenditure-authorizing or appropriations document. No funds shall be expended by any board or district for any purpose in any school year prior to the adoption of the budget document which authorizes that expenditure, or prior to an amendment to the budget document by the board to authorize the expenditure. Expenditures of funds in violation of this subdivision shall be considered unlawful expenditures.

Sec. 8. Minnesota Statutes 1976, Chapter 121, is amended by adding a section to read:

[121.912] [PERMANENT FUND TRANSFERS.] *Subdivision 1. After July 1, 1977, no school district shall permanently transfer money from an operating fund to a nonoperating fund; provided, however, that permanent transfers may be made from an operating fund to any other fund to correct for prior fiscal years' errors discovered after the books have been closed for that year and permanent transfers may be made from the general fund to eliminate deficits in another fund when that other fund is being discontinued.*

Subd. 2. As used in this section, "operating fund" and "nonoperating fund" shall have the meanings specified in the uniform financial accounting and reporting system for Minnesota school districts. Any transfer for a period in excess of one year shall be deemed to be a permanent transfer.

Sec. 9. Minnesota Statutes 1976, Section 121.914, Subdivision 1, is amended to read:

121.914 [STATUTORY OPERATING DEBT.] *Subdivision 1. The "statutory operating debt" of a school district means the net negative unappropriated 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.*

Sec. 10. Minnesota Statutes 1976, Section 121.914, Subdivision 2, is amended to read:

Subd. 2 3 . 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. This procedure shall also identify all interfund transfers made during fiscal year 1977 from a fund included in computing statutory operating debt to a fund not included in computing statutory operating debt. 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 of 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.

Sec. 11. Minnesota Statutes 1976, Section 121.914, Subdivision 3, is amended to read:

Subd. 3 4 . If an audit or other verification procedure conducted pursuant to subdivision 2 3 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 275.125, subdivision 9a to eliminate this *statutory* operating debt.

Sec. 12. Minnesota Statutes 1976, Section 121.914, Subdivision 4, is amended to read:

Subd. 4 2 . If the amount of the statutory operating debt verified pursuant to subdivision 2 is less *more* than two and one-half percent of the most recent fiscal year's expenditure amount for the funds considered under subdivision 1, the net negative *un-*appropriated fund balance shall *not* qualify be defined as statutory operating debt "*statutory operating debt*" for the purposes of this section and sections 121.917 and 275.125, subdivision 9a.

Sec. 13. Minnesota Statutes 1976, Section 121.917, Subdivision 1, is amended to read:

121.917 [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 121.914 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 at the end of* that fiscal year pursuant to section 121.914 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.

(e) (b) When a district is no longer required to levy pursuant to section 275.125, subdivision 9a, subdivision 2 of this section shall be applicable.

Sec. 14. Minnesota Statutes 1976, Section 121.917, Subdivision 2, is amended to read:

Subd. 2. Beginning in fiscal year 1978 and each year thereafter, any district not subject to the provisions of subdivision 1 shall limit its expenditures so that its appropriate unappropriated fund balances shall not constitute statutory operating debt as defined and limited in section 121.914.

Sec. 15. Minnesota Statutes 1976, Section 122.21, Subdivision 6, is amended to read:

Subd. 6. Upon the effective date of the order, the detachment and annexation ordered therein is effected, and . All taxable property in the area so detached and annexed is remains taxable for payment of any school purpose obligations theretofore authorized by or on that date outstanding against the district to from which annexation is made detached. Such property is not by virtue of the order relieved from the obligation of any bonded debt theretofore incurred to which it was subject prior to the order. All taxable property in the area so detached and annexed is taxable for payment of any school district obligations authorized on or subsequent to the effective date of the order by the district to which annexation is made.

Sec. 16. Minnesota Statutes 1976, Section 123.335, Subdivision 2, is amended to read:

Subd. 2. The board may authorize an imprest fund for the purpose of advancing money to officers or employees to pay the actual and necessary expenses of such officer or employee in attending meetings outside of the district. The board shall appoint a custodian of such fund and he shall be responsible for its safekeeping and disbursement according to law. Attendance at such meetings shall be authorized in advance by the board. At the first regular meeting of the board after such meeting, the officer or employee custodian shall submit an itemized claim for the actual and necessary expenses incurred and paid by him in attending such meeting. The board shall act upon it as in the case of other claims and an order shall be issued to the officer or employee custodian for the amount allowed. The officer or employee custodian shall use the proceeds of the order to repay the amount advanced from the fund; and if the amount approved by the board is insufficient to repay the advance, he shall be personally responsible for the difference and make final settlement with the officer or employee. As an alternative the board may authorize travel advances if control is maintained by use of a travel advance account, the balance of which is supported by names of em-

ployees to whom money has been advanced.

Sec. 17. Minnesota Statutes 1976, Section 123.71, Subdivision 1, is amended to read:

123.71 [PUBLICATION OF SCHOOL DISTRICT FINANCIAL INFORMATION.] Subdivision 1. Every school board shall, ~~within 30 days after its adoption of a budget for the current school year, but in no event later than September 1~~ ; *publish a summary of the disbursements of funds showing the actual expenditures for the prior fiscal year and proposed expenditures for the current fiscal year the revenue and expenditure budgets submitted to the commissioner of education in accordance with section 121.908, subdivision 4, for the current year and the actual revenues, expenditures, fund balances for the prior year and projected fund balances for the current year in a form prescribed by the state board of education after consultation with the advisory council on uniform financial accounting and reporting standards. The forms prescribed shall be designed so that year to year comparisons of revenue, expenditures and fund balances can be made. These budgets, reports of revenue, expenditure and fund balances shall be published in a newspaper of general circulation and holding a U. S. Post Office Department second class mailing permit or a legal newspaper located in the district, or if there be no such newspaper within the district then in the legal newspaper outside the district which has a general circulation in the district.*

Sec. 18. Minnesota Statutes 1976, Section 123.71, Subdivision 2, is amended to read:

Subd. 2. It shall also publish at the same time a summary of bonds outstanding, paid, and sold ; a summary of orders not paid for want of funds ; ~~and~~ ; certificates of indebtedness for the year ending June 30 ; *the statutory operating debt of the district as defined and certified pursuant to section 121.914; and the balance amount of the appropriated fund balance reserve account for purposes of reducing statutory operating debt established pursuant to section 275.125.*

Sec. 19. Minnesota Statutes 1976, Section 123.71, is amended by adding a subdivision to read:

Subd. 4. It shall also publish at the same time the average cost per pupil in average daily membership educated in that district in the preceding year. This computation shall be made exclusive of debt service or capital outlay costs.

Sec. 20. Minnesota Statutes 1976, Section 125.08, is amended to read:

125.08 [TEACHERS' AND ADMINISTRATORS' LICENSES, FEES.] Each application for the issuance, renewal, or extension of a license to teach shall be accompanied by a processing fee in an amount set by the board of teaching by rule, which shall not be less than \$10. *Each application for the issuance, renewal or extension of a superintendent's or principal's license shall be accompanied by a processing fee in an amount set*

by the state board of education by rule. Except as otherwise provided in this section, such fee these fees 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 fees as set by the board boards shall be nonrefundable for applicants not qualifying for a license, provided however, that the a fee shall be refunded by the state treasurer in these cases any case in which the applicant already holds a valid unexpired license.

Sec. 21. Minnesota Statutes 1976, Section 125.12, Subdivision 3, is amended to read:

Subd. 3. [PROBATIONARY PERIOD.] The first and second consecutive years of a teacher's first teaching experience in Minnesota in a single school district shall be deemed to be a probationary period of employment, and after completion thereof, the probationary period in each school district in which he is thereafter employed shall be one year. A teacher who has complied with the then applicable probationary requirements in a school district prior to July 1, 1967, shall not be required to serve a new probationary period in the said district subsequent thereto. During the probationary period any annual contract with any teacher may or may not be renewed as the school board shall see fit; provided, however, that the school board shall give any such teacher whose contract it declines to renew for the following school year written notice to that effect before April June 1. If the teacher requests reasons for any nonrenewal of a teaching contract, the school board shall give the teacher its reason in writing, including a statement that appropriate supervision was furnished describing the nature and the extent of such supervision furnished the teacher during his employment by the board, within ten days after receiving such request. The school board may, after a hearing held upon due notice, discharge a teacher during the probationary period for cause, effective immediately, under section 123.14, subdivision 4, or section 123.35, subdivision 5.

Sec. 22. Minnesota Statutes 1976, Section 125.12, Subdivision 4, is amended to read:

Subd. 4. [TERMINATION OF CONTRACT AFTER PROBATIONARY PERIOD.] A teacher who has completed his probationary period in any school district, and who has not been discharged or advised of a refusal to renew his contract pursuant to subdivision 3, shall have a continuing contract with such district. Thereafter, the teacher's contract shall remain in full force and effect, except as modified by mutual consent of the board and the teacher, until terminated by a majority roll call vote of the full membership of the board, prior to April 1 upon one of the grounds specified in subdivisions subdivision 6 or prior to June 1 upon one of the grounds specified in subdivisions 6a or 6b, or until the teacher is discharged pursuant to subdivision 8, or by the written resignation of the teacher submitted prior to April 1; provided, however, that if an agreement as to the terms and conditions of employment for the succeeding school year has not been adopted

pursuant to the provisions of sections 179.61 to 179.77 prior to March 1, the teacher's right of resignation shall be extended to the 30th calendar day following the adoption of said contract in compliance with section 179.70, subdivision 2. Such written resignation by the teacher shall be effective as of June 30 if submitted prior to that date and the teachers' right of resignation for the school year then beginning shall cease on July 15. Before a teacher's contract is terminated by the board, the board shall notify the teacher in writing and state its ground for the proposed termination in reasonable detail together with a statement that the teacher may make a written request for a hearing before the board within 14 days after receipt of such notification. Within 14 days after receipt of this notification the teacher may make a written request for a hearing before the board and it shall be granted before final action is taken. If no hearing is requested within such period, it shall be deemed acquiescence by the teacher to the board's action. Such termination shall take effect at the close of the school year in which the contract is terminated in the manner aforesaid. Such contract may be terminated at any time by mutual consent of the board and the teacher and this section shall not affect the powers of a board to suspend, discharge, or demote a teacher under and pursuant to other provisions of law.

Sec. 23. Minnesota Statutes 1976, Section 125.12, Subdivision 10, is amended to read:

Subd. 10. [DECISION.] After the hearing, the board shall issue a written decision and order. If the board orders termination of a continuing contract or discharge of a teacher, its decision shall include findings of fact based upon competent evidence in the record and shall be served on the teacher, accompanied by an order of termination or discharge, prior to April 1 in the case of a contract termination *for grounds specified in subdivision 6, prior to June 1 for grounds specified in subdivision 6a or 6b*, or within ten days after conclusion of the hearing in the case of a discharge. If the decision of the board or of a reviewing court is favorable to the teacher, the proceedings shall be dismissed and the decision entered in the board minutes, and all references to such proceedings shall be excluded from the teacher's record file.

Sec. 24. Minnesota Statutes 1976, Section 125.17, Subdivision 3, is amended to read:

Subd. 3. [PERIOD OF SERVICE AFTER PROBATIONARY PERIOD; DISCHARGE OR DEMOTION.] After the completion of such probationary period, without discharge, such teachers as are thereupon re-employed shall continue in service and hold their respective position during good behavior and efficient and competent service and shall not be discharged or demoted except for cause after a hearing.

Any probationary teacher shall be deemed to have been re-employed for the ensuing school year, unless the school board in charge of such school shall give such teacher notice in writing before *April June 1* of the termination of such employment. In event of such notice the employment shall terminate at the close of the school sessions of the current school year.

Sec. 25. Minnesota Statutes 1976, Section 275.124, is amended to read:

275.124 [REPORT OF CERTIFIED LEVY.] Prior to March 1 of each year, each county auditor shall report to the commissioner of education on forms furnished by the commissioner, the amount of the certified levy made by each school district within the county which has taxable property. The reports shall also contain the amount payable to each district pursuant to section 124.03.

Sec. 26. Minnesota Statutes 1976, Section 275.125, Subdivision 9a, is amended to read:

Subd. 9a. (1) In 1977 1978 and each year thereafter in which so required by this subdivision, a district shall make an additional levy to eliminate its statutory operating debt, determined as of June 30, 1977 and certified and adjusted by the commissioner. This levy shall not be made in more than 20 successive years and each year before it is made, it must be approved by the commissioner and the approval shall specify its amount. This levy shall in each year be an amount which is equal to the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee; provided that in the last year in which the district is required to make this levy, it shall levy an amount not to exceed the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee. When the cumulative 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 in the general fund which shall be designated "appropriated fund balance reserve account for purposes of reducing statutory operating debt" on its books and records. This account shall reflect the 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 subdivision 2a, clause (1) or (2) in that same year.

(4) Each district shall make permanent fund balance transfers so that the total statutory operating debt of the district is reflected in the general fund as of June 30, 1977.

Sec. 27. Minnesota Statutes 1976, Section 475.61, Subdivision 4, is amended to read:

Subd. 4. All such taxes shall be collected and remitted to the municipality by the county treasurer as other taxes are collected and remitted, and shall be used only for payment of the obligations on account of which levied or to repay advances from other funds used for such payments, except that any surplus remaining

in the debt service fund when the obligations and interest thereon are paid may be appropriated to any other general purpose by the municipality. *However, the amount of any surplus remaining in the debt service fund of a school district when the obligations and interest thereon are paid shall be used to reduce the maintenance levy authorized pursuant to section 275.125, subdivision 2a.*

Sec. 28. Laws 1973, Chapter 683, Section 26, Subdivision 17, as amended by Laws 1975, Chapter 432, Section 88, is amended to read:

Subd. 17. The provisions of this section shall expire July 1, 1979 1981. At any time the experimental school may be terminated upon unanimous vote of the officers of the committee and 30 days notice to the board of District No. 309, whereupon the board of District No. 309 shall resume the care, management and control of the entire district on July 1 following. Prior to December 1 of each year the committee shall submit to the legislature a report of the experimental school established by this section. Such report shall document the success or failure of the experimental school.

Sec. 29. Laws 1976, Chapter 20, Section 3, is amended to read:

Sec. 3. [STATUTORY OPERATING DEBT.] Subdivision 1. The "statutory operating debt" of Independent School District No. 625 means the net negative unappropriated 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 of each year in accordance with the principles of the uniform financial accounting and reporting system.

Subd. 1a. *If the amount of the district's operating debt is more than two and one-half percent of the most recent fiscal year's expenditure amount for the funds considered under subdivision 1, the net negative unappropriated fund balance shall qualify as "statutory operating debt" for the purposes of Laws 1976, Chapter 20, as amended.*

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. 30. Laws 1976, Chapter 20, Section 7, is amended to read:

Sec. 7. [EXPENDITURE LIMITATIONS.] 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. Beginning in the fiscal year 1977 and in each year thereafter, Independent School District No. 625 shall limit its expenditures in each fiscal year so that the amount of its statutory operating debt calculated at the end of that fiscal year is not greater than the amount of its statutory operating debt as of June 30, 1976, as certified and adjusted by the legislative auditor, increased by an amount equal to two and one-half percent of its operating expenditures for the fiscal year for which the statutory operating debt calculation is being made.

Sec. 31. Laws 1976, Chapter 271, Section 8, Subdivision 1, is amended to read:

Sec. 8. [ADVISORY TASK FORCE.] Subdivision 1. The governor shall appoint a five member advisory task force on nonpublic schools within 30 days of the effective date of this section. The five members shall be representative of the various areas of the state and shall be knowledgeable about nonpublic schools. The task force shall expire May 15, 1977-1978 and the compensation, removal of members and filling of vacancies shall be as provided in Minnesota Statutes, Section 15.059.

Sec. 32. [EFFECTIVE DATE.] Sections 29 and 30 of this article are effective the day following final enactment. Section 31 is effective retroactively on May 15, 1977.

ARTICLE VIII

EARLY CHILDHOOD AND FAMILY EDUCATION PROGRAMS

Section 1. Minnesota Statutes 1976, Section 3.9271, is amended to read:

3.9271 [EARLY CHILDHOOD IDENTIFICATION AND EDUCATION PROGRAMS.] Subdivision 1. For the ~~1975-1976~~ 1977-1978 and ~~1976-1977~~ 1978-1979 school years, the council on quality education shall make grants to no fewer than ten 22 pilot early childhood identification and family education programs. Early childhood identification and family education programs are programs for children before kindergarten and below age six which may include the following: identification of potential barriers to learning, education of parents on child development, libraries of educational materials, family services, education for parenthood programs in secondary schools, in-center activity, home-based programs, and referral services.

Notwithstanding section 3.926, subdivision 2, every early childhood identification and family education program proposal shall be submitted to the council on quality education not less than six weeks before the planned commencement of the program. These programs or grants shall be as equally distributed as possible among districts in cities of the first class, in suburbs, and

outside the seven county metropolitan area. *No more than two of these programs shall receive these grants in any one school district. Each pilot program shall serve one elementary school attendance area in the local school district or a combination of attendance areas if deemed appropriate by the council.*

The council on quality education shall prescribe the form and manner of application and shall determine the participating pilot programs. In the determination of pilot programs, programs shall be given preference for their ability to coordinate their services with existing programs and other governmental agencies. The council on quality education shall report on the programs annually to the committees on education of the senate and house of representatives.

Subd. 2. 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 early childhood identification and family education programs.

Subd. 3. A school district providing early childhood identification and family education programs shall be eligible to receive funds for these programs from other government agencies and from private sources when such funds are available.

Subd. 4. A district may charge reasonable fees for early childhood identification and family education services; however, a district shall waive the charge or fee if any pupil, his parent or guardian is unable to pay it.

Sec. 2. Minnesota Statutes 1976, Section 3.9272, is amended to read:

3.9272 [ADVISORY TASK FORCE ON EARLY CHILDHOOD AND FAMILY EDUCATION PROGRAMS.] The council on quality education shall appoint an advisory committee task force on early childhood identification and family education programs. *The advisory task force shall be composed of parents of young children and persons knowledgeable in the fields of health, education and welfare. A majority of the task force shall be parents of young children. The advisory task force shall advise the council in the administration of the early childhood and family education programs. The terms, compensation and removal of members shall be governed by the provisions of section 15.059, subdivision 6. The task force shall expire June 30, 1979.*

Sec. 3. Minnesota Statutes 1976, Section 3.9275, is amended to read:

3.9275 [VOLUNTARY PARTICIPATION.] All participation by parents and children in these early childhood identification and family education programs shall be voluntary, and shall not preclude participation in any other state or local program. All pilot programs shall provide services to all qualified children, regardless of race, religion or ethnic background, and no such programs shall be used in whole or in part for religious worship or instruction.

Sec. 4. *The council on quality education and the advisory task*

force on early childhood and family education programs shall conduct a study of policy issues involved in the provision of early childhood and family education and shall submit a final report on the study to the legislature no later than January 15, 1979.

Sec. 5. There is appropriated from the general fund to the department of education the sum of \$854,000 for the year ending June 30, 1978, and the sum of \$854,000 for the year ending June 30, 1979, for the purpose of pilot early childhood and family education programs pursuant to section 3.9271. These appropriations include not to exceed \$77,000 in fiscal year 1978 and not to exceed \$77,000 in fiscal year 1979 to be used for administrative costs; provided, these amounts may be used to hire not to exceed three professional employees and one clerical employee beyond the existing complement of the department in these years. Any unexpended balance remaining from the appropriation in this section for 1978 shall not cancel but shall be available for the second year of the biennium.

ARTICLE IX

TEACHER MOBILITY INCENTIVES

Section 1. [125.60] [EXTENDED LEAVES OF ABSENCE.]
Subdivision 1. As used in this section, the term "teachers" shall have the meaning given it in section 125.03, subdivision 1, but shall not include superintendents.

Subd. 2. The board of any district may grant an extended leave of absence without salary to any full time elementary or secondary school teacher who has been employed by the district for at least ten but no more than 20 years of allowable service, as defined in section 354.05, subdivision 13, or the by-laws of the appropriate retirement association, and who has not attained the age of 55 years or over. Extended leaves of absence pursuant to this section shall not exceed 5 years in duration. An extended leave of absence pursuant to this section shall be taken by mutual consent of the board and the teacher and may be granted only once.

Subd. 3. A teacher on an extended leave of absence pursuant to this section shall have the right to be reinstated to a position for which he is licensed at the beginning of any of the first five school years after his extended leave of absence begins, unless he is discharged or placed on unrequested leave of absence or his contract is terminated pursuant to section 125.17 or 125.12 while he is on the extended leave. The board shall not be obligated to reinstate any teacher who is on an extended leave of absence pursuant to this section unless the teacher advises the board of his intention to return before February 1 in the school year preceding the school year in which he wishes to return.

Subd. 4. Any teacher who is reinstated to a teaching position after an extended leave of absence pursuant to this section shall retain seniority and continuing contract rights in the employing district as though he had been teaching in the district during the period when he was on the extended leave.

Subd. 5. *The years spent by a teacher on an extended leave of absence pursuant to this section shall not be included in the determination of his salary upon his return to teaching in the district. The credits earned by a teacher on an extended leave of absence pursuant to this section shall not be included in the determination of his salary upon his return to teaching in the district for a period equal to the time of the extended leave of absence.*

Subd. 6. *Nothing within the provisions of this section shall be construed to limit the authority of a school board to grant any teacher a leave of absence which is not subject to the provisions of this section and sections 3 and 6 of this article.*

Sec. 2. [125.61] [TEACHER EARLY RETIREMENT INCENTIVE PROGRAM.] *Subdivision 1. For purposes of this section, "teacher" means a teacher as defined in Minnesota Statutes, Section 125.03, Subdivision 1, who is employed in the public elementary or secondary schools in the state, who has not less than 15 years of full time teaching service therein, and who has or will have attained the age of 55 years but less than 65 years as of the end of the school year during which an application for an early retirement incentive is made.*

Subd. 2. *A teacher meeting the requirements of subdivision 1 may be offered a contract for termination of services and payment of an early retirement incentive by the employing school district. An offer may be accepted by the teacher by submitting a written resignation to the school board of the employing district. Applications shall be submitted prior to July 1, 1977 in the case of a teacher retiring at the end of the 1977-78 school year, prior to May 1, 1978, in the case of a teacher retiring at the end of the 1978-79 school year, or, thereafter, prior to May 1 of the year immediately preceding the school year at the end of which the teacher wishes to retire.*

Subd. 3. *An eligible teacher who is or will be 55 years of age as of the end of the school year during which an application for an early retirement incentive is made and accepted shall receive an early retirement incentive in the amount of \$7,500. This amount shall be reduced by \$375 for each year that a teacher is over the age of 55 years to a maximum age of 60 years and by an additional \$1,125 for each year that a teacher is over the age of 60 years. The age of the teacher shall be determined as of the end of the school year during which the application for the early retirement incentive is made.*

Subd. 4. *The early retirement incentive shall be paid by the employing school district in four equal successive monthly installments commencing on November 1 of the year of retirement. The state shall reimburse the district for 10 percent of any amount or amounts paid out as an early retirement incentive pursuant to this section upon receipt of a proper claim therefor accompanying the report required by subdivision 5. An early retirement incentive shall not be paid to any teacher who is discharged by a school district.*

Subd. 5. Each school district contracting for an early retirement incentive pursuant to this section shall report annually during the month of December to the department of education on forms prescribed by the department. The report shall cover the preceding school year and shall contain the number of teachers participating in the early retirement incentive program, the annual salary which would have been paid had the teacher not elected to participate, the amount paid by the district for early retirement incentives, the amount claimed as reimbursement from the state, and such other information as the department of education may require.

Subd. 6. No school board shall enter into an agreement for termination of services with an early retirement incentive without applying for and receiving authorization from the commissioner of finance. The commissioner of finance shall approve or disapprove applications pursuant to this subdivision within the limits of the appropriation for the purposes of this section.

Sec. 3. Minnesota Statutes 1976, Chapter 354, is amended by adding a section to read:

[354.094] *Subdivision 1. If a member is granted an extended leave of absence pursuant to section 1 of this article, he may receive allowable service credit toward annuities and other benefits under chapter 354, for each year of his leave by paying into the fund employee contributions during the period of the leave which shall not exceed five years. The employing district shall pay employer contributions into the fund for each year for which a member who is on extended leave pays employee contributions into the fund. The employee and employer contributions shall be based upon the rates of contribution prescribed by section 354.42 for the salary received during the year immediately preceding the extended leave. Payments for the years for which a member is receiving service credit while on extended leave shall be made on or before June 30 of each fiscal year for which service credit is received.*

Subd. 2. Notwithstanding section 354.49, subdivision 4, clause (3), a member on extended leave who pays employee contributions into the fund pursuant to subdivision 1 shall retain membership in the association for as long as he continues to pay employee contributions, under the same terms and conditions as if he had continued to teach in the district.

Subd. 3. A member on extended leave of absence pursuant to section 1 of this article who does not pay employee contributions into the fund in any year shall be deemed to cease to render teaching services beginning in that year for purposes of chapter 354.

Subd. 4. If a member who paid employee contributions into the fund for five years while on extended leave does not resume teaching in the sixth school year after the beginning of his extended leave, he shall be deemed to cease to render teaching services beginning in that year for purposes of chapter 354.

Subd. 5. The provisions of this section shall not apply to a member who is placed on unrequested leave of absence or whose

contract is terminated pursuant to section 125.12 or 125.17 while he is on an extended leave of absence pursuant to section 1 of this article.

Subd. 6. A member who pays employee contributions and receives allowable service credit in the fund pursuant to this section may not pay employee contributions or receive allowable service credit for the same fiscal year in any other Minnesota public employee pension plan, except a volunteer firefighters' relief association governed by sections 69.771 to 69.776.

Sec. 4. Minnesota Statutes 1976, Chapter 354, is amended by adding a section to read:

[354.66] [QUALIFIED PART TIME TEACHERS; PARTICIPATION IN FUND.] *Subdivision 1. As used in this section, the term "teachers" shall have the meaning given it in section 125.03, subdivision 1, but shall not include superintendents, principals, assistant principals or other supervisory employees as defined in section 179.63, subdivision 9.*

Subd. 2. A teacher in the public elementary or secondary schools of the state who has 20 years or more of allowable service may, by agreement with the board of the employing district, be assigned to teaching service within the district in a part time teaching position.

Subd. 3. For purposes of this section, a part time teaching position shall mean a teaching position within the district in which the teacher is employed for at least 50 full days or a fractional equivalent thereof as prescribed in section 354.091, and for which the teacher is compensated at a rate not exceeding 60 percent of the compensation established by the board for a full time teacher of identical education and experience within the district.

Subd. 4. Notwithstanding any provision of chapter 354 relating to salary for contribution purposes or accrual of service credit to the contrary, employee and employer contributions to the fund, including the state's obligation therefor, and accrual of allowable service credit toward retirement pursuant to chapter 354 shall be continued during the period of part time employment pursuant to this section upon the same basis and in the same amounts as would be payable or accrued were the teacher to have been employed on a full time basis. A teacher's contributions to the fund and accrual of allowable service credit during part time employment may not be continued pursuant to this subdivision for a period longer than 10 years.

Subd. 5. A teacher who pays employee contributions and receives allowable service credit in the fund pursuant to this section may not pay employee contributions or receive allowable service credit for the same fiscal year in any other Minnesota public employee pension plan, except a volunteer firefighters' relief association governed by sections 69.771 to 69.776.

Subd. 6. A board entering into an agreement authorized by this

section shall take all steps necessary to assure continuance of any insurance programs furnished or authorized a full time teacher on an identical basis and with identical sharing of costs for a part time teacher pursuant to this section.

Subd. 7. Only teachers who are in the bargaining unit as defined in section 179.63, subdivision 17, during the year preceding the period of part time employment pursuant to this section shall qualify for the continuation of contributions and accrual of service credit pursuant to subdivision 4. Notwithstanding the provisions of section 179.63, subdivision 7, clauses (e) and (f), teachers who are employed on a part time basis for purposes of this section and who would therefore be disqualified from the bargaining unit by one or both of those provisions, shall continue to be in the bargaining unit during the period of part time employment pursuant to this section for purposes of compensation, fringe benefits and the grievance procedure.

Subd. 8. No teacher shall qualify for the continuation of contributions and accrual of service credit pursuant to subdivision 4 of this section or section 7, subdivision 4, of this article in more than one district at one time.

Subd. 9. A district shall not assign a teacher to a part time teaching position qualifying for the continuation of contributions and accrual of service credit pursuant to this section without applying for and receiving the authorization of the commissioner of finance. In cooperation with the boards of trustees of the appropriate retirement fund associations and within the limits of the amount appropriated for the purpose of this section, the commissioner of finance shall approve or disapprove applications from districts for authorization to assign teachers to part time teaching positions qualifying for the continuation of contributions and accrual for service credit pursuant to this section.

Subd. 10. Nothing within the provisions of this section shall be construed to limit the authority of a school board to assign a teacher to a part time teaching position which does not qualify for the continuation of contributions and accrual of service credit pursuant to this section.

Sec. 5. Minnesota Statutes 1976, Chapter 354, is amended by adding a section to read:

[354.69] *Each school district shall furnish to the appropriate retirement fund association all information and reports deemed necessary by the appropriate board of trustees to administer the provisions of this article.*

Sec. 6. Minnesota Statutes 1976, Chapter 354A, is amended by adding a section to read:

[354A.091] [TEACHERS ON EXTENDED LEAVE.] *Subdivision 1. Notwithstanding any provision of chapter 354A or the bylaws of an association relating to salary for contribution purposes or accrual of service credit to the contrary, an elementary or secondary school teacher in the public schools of a city of the first class who is granted an extended leave of absence pursuant*

to section 1 of this article may receive allowable service credit toward annuities and other benefits under chapter 354A for each year of his leave by paying into the fund employee contributions during the period of the leave which shall not exceed five years. The employing district shall pay employer contributions into the fund for each year for which a member who is on extended leave pays employee contributions into the fund. The employee and employer contributions shall be based upon the rates of contribution prescribed by section 354A.12, for the salary received during the year immediately preceding the leave. Payments for the years for which a member is receiving service credit while on extended leave shall be made on or before June 30 of each fiscal year for which service credit is received.

Subd. 2. A member on extended leave who pays employee contributions into the fund pursuant to subdivision 1 shall retain membership in the association for as long as he continues to pay employee contributions, under the same terms and conditions as if he had continued to teach in the district.

Subd. 3. A member on extended leave of absence pursuant to section 1 of this article who does not pay employee contributions into the fund in any year shall be deemed to cease to render teaching services beginning in that year for purposes of chapter 354A and the bylaws of the retirement association.

Subd. 4. If a member who paid employee contributions into the fund for five years while on extended leave does not resume teaching in the sixth school year after the beginning of his extended leave, he shall be deemed to cease to render teaching services beginning in that year for purposes of chapter 354A and the bylaws of the retirement association.

Subd. 5. The provisions of this section shall not apply to a member who is discharged pursuant to section 125.17 while he is on an extended leave of absence pursuant to section 1 of this article.

Subd. 6. A member who pays employee contributions and receives allowable service credit in the fund pursuant to this section may not pay employee contributions or receive allowable service credit for the same fiscal year in any other Minnesota public employee pension plan, except a volunteer firefighters' relief association governed by sections 69.771 to 69.776.

Sec. 7. Minnesota Statutes 1976, Chapter 354A, is amended by adding a section to read:

[354A.22] [QUALIFIED PART TIME TEACHERS; PARTICIPATION IN FUND.] *Subdivision 1. As used in this section, the term "teachers" shall have the meaning given it in section 125.03, subdivision 1, but shall not include superintendents, principals, assistant principals or other supervisory employees as defined in section 179.63, subdivision 9.*

Subd. 2. A teacher in the public schools of a city of the first class who has 20 years or more of allowable service may, by agree-

ment with the board of the employing district, be assigned to teaching service within the district in a part time teaching position.

Subd. 3. For purposes of this section, a part time teaching position shall mean a teaching position within the district in which the teacher is employed for at least 50 full days or a fractional equivalent thereof as prescribed in the appropriate bylaws of the retirement associations covered by chapter 354A, and for which the teacher is compensated at a rate not exceeding 60 percent of the compensation established by the board for a full time teacher of identical education and experience within the district.

Subd. 4. Notwithstanding any provision of chapter 354A or the bylaws of an association relating to salary for contribution purposes or accrual of service credit to the contrary, employee and employer contributions to the fund, including the state's obligation pursuant to section 354A.12, and accrual of allowable service credit toward retirement pursuant to chapter 354A shall be continued during the period of part time employment pursuant to this section upon the same basis and in the same amounts as would be payable or accrued were the teacher to have been employed on a full time basis. A teacher's contributions to the fund and accrual of allowable service credit during part time employment may not be continued pursuant to this subdivision for a period longer than 10 years.

Subd. 5. A teacher who pays employee contributions and receives allowable service credit in the fund pursuant to this section may not pay employee contributions or receive allowable service credit for the same fiscal year in any other Minnesota public employee pension plan, except a volunteer firefighters' relief association governed by sections 69.771 to 69.776.

Subd. 6. A board entering into an agreement authorized by this section shall take all steps necessary to assure continuance of any insurance programs furnished or authorized a full time teacher on an identical basis and with identical sharing of costs for a part time teacher pursuant to this section.

Subd. 7. Only teachers who are in the bargaining unit as defined in section 179.63, subdivision 17, during the year preceding the period of part time employment pursuant to this section shall qualify for the continuation of contributions and accrual of service credit pursuant to subdivision 4. Notwithstanding the provisions of section 179.63, subdivision 7, clauses (e) and (f), teachers who are employed on a part time basis for purposes of this section and who would therefore be disqualified from the bargaining unit by one or both of those provisions, shall continue to be in the bargaining unit during the period of part time employment pursuant to this section for purposes of compensation, fringe benefits and the grievance procedure.

Subd. 8. No teacher shall qualify for the continuation of contributions and accrual of service credit pursuant to subdivision 4 of this section or section 4, subdivision 4, of this article in more than one district at one time.

Subd. 9. A district shall not assign a teacher to a part time teaching position qualifying for the continuation of contributions and accrual of service credit pursuant to this section without applying for and receiving the authorization of the commissioner of finance. In cooperation with the boards of trustees of the appropriate retirement fund associations and within the limits of the amount appropriated for the purpose of this section, the commissioner of finance shall approve or disapprove applications from districts for authorization to assign teachers to part time teaching positions qualifying for the continuation of contributions and accrual of service credit pursuant to this section.

Subd. 10. Nothing within the provisions of this section shall be construed to limit the authority of a school board to assign a teacher to a part time teaching position which does not qualify for the continuation of contributions and accrual of service credit pursuant to this section.

Sec. 8. [APPROPRIATION; PART-TIME TEACHERS' RETIREMENT.] *To meet the state's obligation prescribed in sections 2, 4 and 7 of this article, there is appropriated from the general fund in the state treasury to the commissioner of finance the sum of \$1,000,000 for the fiscal year ending June 30, 1978, and the sum of \$2,000,000 for the fiscal year ending June 30, 1979.*

(a) Any unexpended balance remaining from the appropriation in this section for fiscal year 1978 shall not cancel but shall be available for the second year of the biennium. None of the amounts appropriated in this section shall be expended for a purpose other than the purpose indicated. If the appropriation amount attributable to either year for the purpose indicated is insufficient, the state shall not be obligated for any amount in excess of the appropriation in this section for this purpose.

(b) Notwithstanding the provisions of sections 354.43 and 354A.12, the state's obligation prescribed in sections 4 and 7 of this article shall not be financed out of standing appropriations for the state's obligations pursuant to Chapter 354 or 354A.

ARTICLE X

EXPERIMENTAL PAIRING AND DISTRICT PLANNING

Section 1. [122.84] [POLICY.] *It is the policy of the state to encourage experimental delivery systems and comprehensive educational planning that will afford better educational opportunities for all pupils, make possible a more economical and efficient operation of the schools and insure a more equitable distribution of public school revenue.*

Sec. 2. [122.85] [EXPERIMENTAL PAIRING.] *Subdivision 1. Notwithstanding the provisions of Minnesota Statutes, Sections 122.41 and 122.43, the board of any school district paired with another in this section upon approval by the school boards of both of the paired districts may enter into an agreement providing for the discontinuance by one district of any of grades*

kindergarten through 12 and the instruction in the other district of the pupils in the discontinued grades. This provision shall apply on an experimental basis to the following pairs of school districts: Independent School Districts No. 217 and No. 220, No. 440 and No. 444, No. 649 and No. 650, No. 782 and No. 783, and No. 893 and No. 896. These experimental pairing agreements shall not extend beyond June 30, 1980.

Subd. 2. Districts entering into experimental agreements permitted in subdivision 1 shall count their resident pupils who are educated in the other district as resident pupils in the calculation of pupil units for all purposes, including foundation aid and levy limitations. Notwithstanding the provisions of Minnesota Statutes, Section 124.18, Subdivision 2, the agreements permitted in subdivision 1 shall provide for such tuition payments as the participating districts determine are necessary and equitable to compensate each district for the instruction of any nonresident pupils.

Subd. 3. The school board and exclusive bargaining representative of the teachers in each district discontinuing grades pursuant to an agreement permitted in subdivision 1 may negotiate a plan for the assignment or employment in the other district or the placement on unrequested leave of absence of any teachers whose positions are discontinued as a result of the agreement. The school board and exclusive bargaining representative of the teachers in each district providing instruction to nonresident pupils pursuant to an agreement permitted in subdivision 1 may negotiate a plan for the employment of teachers from the other district whose positions are discontinued as a result of the agreement. If such plans are negotiated in any pair of districts and if the plans are compatible with one another, the boards of those districts shall include the plans in their agreement.

Subd. 4. If compatible plans are not negotiated pursuant to subdivision 3 before the March 1 preceding any year of the agreement permitted in subdivision 1, the participating districts shall be governed by the provisions of this subdivision. Insofar as possible, teachers who have acquired continuing contract rights and whose positions are discontinued as a result of the agreement shall be employed by the other district or assigned to teach in the other district as exchange teachers pursuant to section 125.13. If necessary, teachers who are employed in affected grade levels in either district and who have acquired continuing contract rights shall be placed on unrequested leave of absence as provided in section 125.12, subdivision 6b, in fields in which they are licensed in the inverse order in which they were employed by either district, according to a combined seniority list of teachers in affected grades in both districts.

Subd. 5. As used in this section, the term "teacher" shall have the meaning given it in Minnesota Statutes, Section 125.12, Subdivision 1.

Subd. 6. Each district entering into an agreement pursuant to subdivision 1 shall continue to provide transportation and collect transportation aid for its resident pupils pursuant to sections 123.39, 124.222 and 124.223. This subdivision shall not be construed

to prohibit a district from providing some or all transportation to its resident pupils by contracting with the other district which has entered the agreement. For purposes of aid calculations pursuant to section 124.222, the commissioner may adjust the base cost per eligible pupil transported to reflect changes in costs resulting from the agreement.

Subd. 7. Each set of paired districts shall provide a report to the state department of education on August 1, 1978 and August 1, 1979. This report shall include an assessment of the fiscal and program impact of the experimental pairing experience.

Sec. 3. [122.86] [EDUCATIONAL PLANNING TASK FORCES.] Subdivision 1. [CREATION.] In order to provide for comprehensive and coherent planning for the delivery of educational services pursuant to sections 3 to 6 of this article, each educational cooperative service unit shall establish an educational planning task force. In the event an area has not established an ECSU by September 1, 1977, the commissioner shall establish a task force for that area.

Subd. 2. [SCHOOL DISTRICT PARTICIPATION.] The geographic location of the central administrative office of a school district on July 1, 1977 shall determine the participation of the total school district in a particular task force planning area. Each school district in the state shall be a member of the planning task force for its area.

Subd. 3. [TASK FORCE MEMBERSHIP.] Each task force shall consist of one member from each school district within its geographic boundaries. Each school board shall be responsible for selecting its own representative. This appointment shall be made no later than August 15, 1977, and the ECSU and the commissioner shall be notified of these appointments no later than September 1, 1977. Members of these task forces shall hold their offices from the dates of their selection until June 30, 1980. Vacancies on the task forces shall be filled by the representative school boards in the same manner as the original appointments.

Subd. 4. [ORGANIZATION.] The ECSU director shall call the first meeting of each task force at a time designated by him prior to September 30, 1977. In those areas in which an ECSU has not been formed, the commissioner shall call the initial meeting. At this meeting, each task force shall elect from its membership a chairman and such other officers as it may deem necessary, and conduct any other necessary organizational business.

Sec. 4. [122.87] [LOCAL SCHOOL DISTRICT PLANNING.] Subdivision 1. Each school district shall develop a plan for the efficient and effective delivery of educational programs and services.

Subd. 2. In the development of its plan, each district shall confer with interested faculty and residents within the district, hold such public meetings as may be necessary, and furnish to the public necessary information concerning its plan and recommendations.

Subd. 3. School districts may meet jointly to discuss plans which will cross school district boundaries.

Subd. 4. Each school district plan shall include:

(1) a statement of the goals and priorities of the district relating both to educational programs and services and to organization and management for the delivery of such programs and services; provided, goals and priorities relating to educational programs and services shall be developed as provided in section 123.741;

(2) a description, analysis, and assessment of alternative methods of organization and management which shall include: a summary of opportunities for coordination and cooperation with other districts, a statement of the consideration given to such opportunities and the reason for their rejection, a summary of restrictions and impediments to coordination and cooperation, and an assessment of the relative costs and benefits thereof;

(3) a statement of the data and assumptions upon which the district's goals and priorities and consideration of alternatives are based, with respect to at least the following factors:

(a) Enrollments for the school district including projections for fiscal years 1981, 1983, and 1988;

(b) Educational programs, services and staffing in the school district;

(c) The financial status and ability of the school district to support educational programs, including projections of revenue and expenditures;

(d) The use, capacity, location and condition of school buildings in the district, and needed capital improvements in excess of \$200,000 for the period through fiscal year 1983;

(e) Transportation costs and routes in the district;

(f) Non-public enrollments and programs and their impact on the district.

Subd. 5. The plan shall be for the period July 1, 1980, through June 30, 1983.

Subd. 6. The school district plan shall be delivered to the ECSU task force by December 1, 1978, with an informational copy sent to the commissioner.

Sec. 5. [122.88] [TASK FORCE POWERS AND DUTIES.]
Subdivision 1. The task force shall meet as necessary to assess progress of the local district planning process and provide inter-district communications.

Subd. 2. The task force shall recommend that the ECSU employ such professional, clerical and technical assistants as they deem necessary to accomplish the purpose of the task force. Members of the task force shall receive expenses deemed necessary to accomplish their purpose. An ECSU shall be designated as fiscal agent. Where an ECSU does not exist, the task force may designate a local school district to serve as fiscal agent.

Subd. 3. The task force shall review and comment on plans from each district. In addition, the task force shall develop an areawide plan, which shall include: (a) a description of the organization and management of educational services in the area

through 1983; (b) a description of alternative methods of organization and management and the cost and benefits of each; (c) a summary of opportunities for coordination and cooperation among school districts in the area; and (d) a summary of restrictions and impediments to such coordination and cooperation. The task force shall transmit its plan and its comments on each district plan to each local school district in the area and to the state department of education by June 1, 1979.

Subd. 4. In the event a plan is not submitted by a school district, the task force shall prepare a plan for that district.

Sec. 6. [122.89] [STATE DEPARTMENT OF EDUCATION.] Subdivision 1. The state department of education shall receive and review the report of each ECSU planning task force. The state department shall no later than September 1, 1979, transmit the ECSU planning task force reports to the legislature.

Subd. 2. In the event a report is not submitted by an ECSU task force, the state department of education shall provide the report for that area.

Sec. 7. [122.90] [REVIEW AND COMMENT FOR SCHOOL DISTRICT CONSTRUCTION.] Subdivision 1. After July 1, 1977, no referendum for bonds or solicitation of bids for construction of an educational facility which requires a capital expenditure in excess of \$400,000 shall be initiated prior to review and comment by the commissioner. No school board shall separate portions of a single project into components in order to evade the cost limitation of this section. Any construction project for which bonds have been authorized by referendum or legislative act or for which bids have been solicited prior to July 1, 1977, shall be considered to have been initiated prior to July 1, 1977 for purposes of this section.

Subd. 2. Each school board proposing to engage in construction of educational facilities as provided in subdivision 1 shall submit to the commissioner a proposal containing information including but not limited to the following:

(a) the geographic area likely to be served, whether within or outside the boundaries of the school district;

(b) the population likely to be served, including census findings and projections relative to the population of preschool and school aged persons in the area;

(c) the reasonably anticipated need for the facility or service to be provided by the proposal;

(d) a description of the construction in reasonable detail, including:

(1) the capital expenditures contemplated;

(2) the estimated annual operating cost, including the anticipated salary cost and numbers of new staff necessitated by the proposal; and

(3) an evaluation of the energy efficiency and effectiveness of the construction including estimated annual energy costs;

(e) so far as is known, existing institutions within the area

to be served that offer the same or similar service; the extent of utilization of existing facilities or services; the extent to which space is available from other sources, including institutions for higher education or other public buildings; and the anticipated effect that the proposal will have on existing facilities and services;

(f) the anticipated benefit to the area that will result from the proposal;

(g) so far as is known, the relationship of the proposed construction to any priorities which have been established for the area to be served;

(h) the availability and manner of financing of the proposed construction and the estimated date of commencement and completion of the project; and

(i) any desegregation requirements, provided they cannot be met by any other reasonable means.

Subd. 3. In reviewing each proposal, the commissioner or his designee shall submit to the local school board within 60 days of the receipt of the proposal his review and comment concerning the educational and economic advisability of the project. The review and comment shall be based on the information submitted with the district proposal and any other information he deems necessary.

Subd. 4. At least 20 days but no more than 60 days prior to any referendum for bonds or the solicitation of any bids for the construction of such educational facility, the local school board shall cause the review and comment of the commissioner to be published in a legal newspaper of general circulation in the area. Any supplementary information shall be held for public scrutiny at the central administrative office of the school district.

Subd. 5. Before January 15, 1978 and January 15 of each year thereafter, the commissioner shall report to the legislature on the number and nature of proposals for construction projects submitted pursuant to this section and the nature of his review and comment on their educational and economic advisability. The report shall include information on the final actions of school districts concerning construction projects for which proposals were submitted and reviewed pursuant to this section. If a substantial amount of construction has been carried out despite the finding of the commissioner that it would be educationally or economically inadvisable, the report shall contain the commissioner's specific recommendations for further legislation needed to prevent school districts from carrying out inadvisable projects in the future. These recommendations shall include the commissioner's proposal for legislation requiring districts to obtain a certificate of need before commencing construction of an educational facility.

Sec. 8. [APPROPRIATION.] Subdivision 1. The sum of \$700,000 is appropriated from the general fund to the department of education to be available until June 30, 1979 to pay staff salaries, expenses of educational planning task force members, and expenses of other authorized activities as provided in this article. Each

ECSU shall receive \$70,000 upon formation of a planning task force and application to the commissioner of education. Where two or more areas have been combined to form a single ECSU, funds shall be available to the ECSU for each of the areas. Where an ECSU does not exist, a school district may be designated by the task force to receive the funds and serve as fiscal agent.

Subd. 2. The sum of \$55,000 is appropriated from the general fund to the department of education to be available until June 30, 1979 for the purposes of section 7 of this article. One additional complement position shall be authorized for this activity.

Sec. 9. [EFFECTIVE DATE.] Sections 1, 3, 4, 5, 6 and 7 of this article shall be effective the day following final enactment. Section 2 of this article shall take effect with respect to each pair of independent school districts named in subdivision 1 of section 2 upon its approval by the school boards of both of the paired districts."

Further, strike the title and insert:

"A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; granting certain powers and duties to school boards, school districts, educational cooperative service units, the commissioner of education, the state board of education and the state board for vocational education; changing the method of distributing the agricultural tax credit; providing for tuition and tuition subsidies for certain post-secondary vocational-technical school students; establishing formulas for current funding of adult and secondary vocational education, capital expenditure equalization aid and school lunch aid; providing a June 1 date for the discharge or termination of certain teachers; increasing the number of early childhood and family education pilot programs; establishing certain incentives for teacher mobility; allowing the experimental pairing of certain districts; requiring review and comment by the commissioner of education on certain construction projects; appropriating money; amending Minnesota Statutes 1976, Sections 3.9271; 3.9272; 3.9275; 120.10, Subdivisions 1 and 2; 120.17, Subdivisions 1, 1a, 5a and 7a; 121.11, Subdivision 5; 121.88; 121.902; 121.908, by adding a subdivision; 121.914, Subdivisions 1, 2, 3 and 4; 121.917, Subdivisions 1 and 2; 122.21, Subdivision 6; 123.335, Subdivision 2; 123.351, Subdivisions 4 and 5; 123.39, Subdivision 5; 123.581, Subdivisions 1, 2, 3 and 6; 123.71, Subdivisions 1 and 2 and by adding a subdivision; 123.742, Subdivision 1; 124.11; 124.14, Subdivisions 1 and 2; 124.17, Subdivisions 1 and 2 and by adding a subdivision; 124.19, Subdivision 1; 124.212, Subdivisions 1, 3a, 4, 6b, 7b, 8a, and by adding subdivisions; 124.213; 124.222, Subdivisions 1a, 1b, 2a, 3 and 6; 124.223; 124.24; 124.26, Subdivisions 1 and 4; 124.271, Subdivision 2; 124.32; 124.38, Subdivision 7; 124.562, Subdivision 1; 124.563, Subdivisions 1 and 3; 124.565, Subdivisions 1 and 3; 124.57; 124.572; 124.573; 125.08; 125.12, Subdivisions 3, 4 and 10; 125.17, Subdivision 3; 128A.02, Subdivisions 2 and 3; 128A.06; 273.132; 273.138, Subdivision 3; 275.124; 275.125, Subdivisions 2a, 4, 8, 9, 9a,

12, 13 and by adding subdivisions; 466.06; 475.61, Subdivision 4; and Chapters 6, by adding a section; 121, by adding a section; 124, by adding sections; 136A, by adding a section; 354, by adding sections; and 354A, by adding sections; Laws 1967, Chapter 822, Section 7, as amended; Laws 1969, Chapter 775, Section 4, Subdivision 2, as amended; Laws 1969, Chapter 1060, Section 7, as amended; Laws 1973, Chapter 683, Section 26, Subdivision 17, as amended; Laws 1976, Chapter 20, Sections 3 and 7; Laws 1976, Chapter 271, Section 8, Subdivision 1, and Section 94; repealing Minnesota Statutes 1976, Sections 123.40, Subdivision 7; 124.04; 124.19, Subdivision 2; 124.212, Subdivisions 3a and 19; 124.215, Subdivisions 2a, 3, 4, 5, 7 and 8; 124.221; 124.222, Subdivisions 4 and 5; 124.23; 124.25; 124.271, Subdivision 1; 124.30; 124.562, Subdivisions 5 and 6; 124.563, Subdivision 4; 124.565, Subdivisions 2 and 5; 124.57, Subdivisions 1 and 3 as added; 124.271, Subdivision 1; 126.021; 126.022; 126.024; 273.138, Subdivision 7; 473.633; and 473.635."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Willis R. Eken, Carl M. Johnson, Thomas K. Berg, John D. Tomlinson, Gilbert D. Esau

Senate Conferees: (Signed) Gene Merriam, Jerald C. Anderson, Douglas H. Sillers, Jerome M. Hughes, Neil Dieterich

Mr. Merriam moved that the foregoing recommendations and Conference Committee Report on H. F. No. 550 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. 550: A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; granting certain powers and duties to school boards, school districts, educational cooperative service units, the commissioner of education, the state board of education and the state board for vocational education; changing the method of distributing the agricultural tax credit; providing for tuition and tuition subsidies for certain post-secondary vocational-technical school students; establishing formulas for current funding of adult and secondary vocational education; capital expenditure equalization aid and school lunch aid; providing a June 1 date for the discharge or termination of certain teachers; increasing the number of early childhood and family education pilot programs; establishing certain incentives for teacher mobility; allowing the experimental pairing of certain districts; requiring review and comment by the commissioner of education on certain construction projects; appropriating money; amending Minnesota Statutes 1976, Sections 3.9271; 3.9272; 3.9275; 120.10, Subdivisions 1 and 2; 120.17, Subdivision 1, 1a, 5a and 7a; 121.11, Subdivision 5; 121.88; 121.902; 121.908, by adding a subdivision; 121.914, Subdivisions 1, 2, 3 and 4; 121.917, Subdivisions 1 and 2; 122.21, Subdivision 6; 123.335, Subdivision 2; 123.351, Subdivisions 4 and 5; 123.39, Subdivision 5; 123.581, Subdivisions 1, 2, 3 and 6; 123.71, Subdivisions 1 and 2 and by

adding a subdivision; 123.742, Subdivision 1; 124.11; 124.14, Subdivisions 1 and 2; 124.17, Subdivisions 1 and 2 and by adding a subdivision; 124.19, Subdivision 1; 124.212, Subdivisions 1, 3a, 4, 6b, 7b, 8a, and by adding subdivisions; 124.213; 124.222, Subdivisions 1a, 1b, 2a, 3 and 6; 124.223; 124.24; 124.26, Subdivisions 1 and 4; 124.271, Subdivision 2; 124.32; 124.38, Subdivision 7; 124.562, Subdivision 1; 124.563, Subdivisions 1 and 3; 124.565, Subdivisions 1 and 3; 124.57; 124.572; 124.573; 125.08; 125.12, Subdivisions 3, 4 and 10; 125.17, Subdivision 3; 128A.02, Subdivisions 2 and 3; 128A.06; 273.132; 273.138, Subdivision 3; 275.124; 275.125, Subdivisions 2a, 4, 8, 9, 9a, 12, 13 and by adding subdivisions; 466.06; 475.61, Subdivision 4; and Chapters 6, by adding a section; 121, by adding a section; 124, by adding sections; 136A, by adding a section; 354, by adding sections; and 354A, by adding sections; Laws 1967, Chapter 822, Section 7, as amended; Laws 1969, Chapter 775, Section 4, Subdivision 2, as amended; Laws 1969, Chapter 1060, Section 7, as amended; Laws 1973, Chapter 683, Section 26, Subdivision 17, as amended; Laws 1976, Chapter 20, Sections 3 and 7; Laws 1976, Chapter 271, Section 8, Subdivision 1, and Section 94; repealing Minnesota Statutes 1976, Sections 123.40, Subdivision 7; 124.04; 124.19, Subdivision 2; 124.212, Subdivisions 3a and 19; 124.215, Subdivisions 2a, 3, 4, 5, 7 and 8; 124.221; 124.222, Subdivisions 4 and 5; 124.23; 124.25; 124.271, Subdivision 1; 124.30; 124.562, Subdivisions 5 and 6; 124.563, Subdivision 4; 124.565, Subdivisions 2 and 5; 124.57, Subdivisions 1 and 3 as added; 124.271, Subdivision 1; 126.021; 126.022; 126.024; 273.138, Subdivision 7; 473.633; and 473.635.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Laufenburger	Olson	Solon
Ashbach	Frederick	Lessard	Penny	Spear
Bang	Gearty	Lewis	Perpich	Staples
Benedict	Gunderson	Luther	Peterson	Stokowski
Bernhagen	Hanson	Menning	Pillsbury	Strand
Borden	Hughes	Merriam	Purfeerst	Stumpf
Brataas	Humphrey	Milton	Renneke	Tennessee
Chmielewski	Johnson	Moe	Schmitz	Ulland, J.
Coleman	Keefe, J.	Nelson	Schrom	Vega
Davies	Keefe, S.	Nichols	Setzepfandt	Wegener
Dieterich	Knoll	Ogdahl	Sikoraki	Willet
Dunn	Knutson	Olhoft	Sillers	

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 recommendation and report of the Conference Committee on Senate File No. 1416 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 1416: A bill for an act relating to the organization and operation of state government; appropriating money for welfare, corrections, health, and other purposes, including appropriations for the departments of public welfare, vocational rehabilitation, corrections, corrections ombudsman, health, health related boards, and public assistance programs; and repealing Minnesota Statutes 1976, Section 261.233.

Senate File No. 1416 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 21, 1977

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. 1349 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 1349: A bill for an act relating to the organization and operation of state government; regulating organization and procedures of various state departments and agencies; providing for the source of per diem and expense payments; providing for appointment and compensation of the employees suggestion board; removing the minimum teachers' license fee; permitting the board of teaching to adopt rules; regulating state arts board grants and publicity; providing the status of part time executive secretaries; permitting joint rule making proceedings; changing the name and composition of the state board of human rights; making miscellaneous inconsequential clarifications and corrections; amending Minnesota Statutes 1976, Sections 15.01; 15.059, Subdivision 6; 16.71, Subdivisions 1 and 1a; 121.02, Subdivision 1; 125.08; 125.185, by adding a subdivision; 139.10, Subdivision 1, and by adding subdivisions; 144A.19, Subdivision 2; 144A.21, Subdivision 1; 144A.251; 214.04, Subdivision 3, and by adding a subdivision; 214.06, Subdivision 1; 238.04, Subdivision 2; 363.04, Subdivisions 4, 4a and 5; Chapter 15, by adding a section; and Laws 1976, Chapter 222, Section 207, Subdivision 2; repealing Minnesota Statutes 1976, Sections 144A.21, Subdivisions 3 and 4; 144A.25; and 214.05.

Senate File No. 1349 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 21, 1977

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Sen-

ate File No. 977 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 977: A bill for an act relating to marriage; requiring certain information to be included on an application for a marriage license; amending Minnesota Statutes 1976, Sections 517.08, Subdivision 1; and 517.10.

Senate File No. 977 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 21, 1977

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. 743 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 743: A bill for an act relating to health; establishing a health program for pre-school children; providing for payments to school districts; appropriating money.

Senate File No. 743 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 21, 1977

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. 695 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 695: A bill for an act relating to the Como Park zoo; requiring 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 1976 Chapter 473, by adding a section.

Senate File No. 695 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 21, 1977

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. 73 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 73: A bill for an act relating to weather modification;

prohibiting the use of cloud seeding apparatus located on the ground; prescribing a penalty.

Senate File No. 73 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 21, 1977

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. 896 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 896: A bill for an act relating to the establishment of a power plant site and transmission line route selection authority in the environmental quality board; eliminating the corridor designation process; clarifying certain procedures; authorizing certain options concerning the amount of land to be condemned and annual payments for owners of land condemned for routes or sites; requiring the board and the office of hearing examiners to adopt emergency and permanent rules; authorizing the board to revoke or suspend permits; specifying amounts for route application fees; providing for a property tax credit for land crossed by high voltage transmission lines; providing penalties; amending Minnesota Statutes 1976, Sections 116C.52, Subdivisions 3 and 7, and by adding subdivisions; 116C.53; 116C.54; 116C.55, Subdivisions 2 and 3; 116C.57; 116C.58; 116C.59, Subdivision 1, and by adding subdivisions; 116C.61, Subdivisions 2 and 3; 116C.62; 116C.63; 116C.64; 116C.65; 116C.66; 116C.67; 116C.68; 116C.69; 273.42; 276.04; and Chapters 116C, by adding a section; and 273, by adding a section; repealing Minnesota Statutes 1976, Sections 116C.55, Subdivision 1; and 116C.56.

Senate File No. 896 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 21, 1977

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. 971 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 971: A bill for an act relating to probate; registrars; specifying certain powers of registrars; amending Minnesota Statutes 1976, Section 524.1-307.

Senate File No. 971 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 21, 1977

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. 1172 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 1172: A bill for an act relating to administrative procedures of governmental agencies; adding metropolitan and capitol area agencies under the coverage of the administrative procedure act; limiting rule-making authority and obligations; permitting incorporation by reference; requiring completion of hearing examiner reports within a specified period; permitting an agency to appeal adverse district court decisions; providing copies of the state register for public libraries; providing for subpoenas and reporters; amending Minnesota Statutes 1976, Sections 15.0411, Subdivision 2; 15.0412; 15.0413, Subdivision 3; 15.0417; 15.0426; 15.048; 15.051, Subdivision 4; 15.052, Subdivisions 4 and 5; and 15.42.

Senate File No. 1172 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 21, 1977

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. 1337 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 1337: A bill for an act relating to state employees; providing for wage and fringe benefits for certain state employees; ratifying collective bargaining agreements; providing emergency rule making authority; increasing salary ranges; appropriating money; amending Minnesota Statutes 1976, Chapter 43, by adding a section; Sections 43.09, Subdivision 3; 43.12, Subdivisions 2, 3, 5, 6, 7, 8, 10, 11, 14, 16, 17, and 18, and by adding a subdivision; 43.121, Subdivision 3; 43.122, Subdivision 3, and by adding a subdivision; 43.126, Subdivision 1; 43.323, by adding a subdivision; 43.42; 43.44, Subdivision 1; 43.46; and 43.50, Subdivision 1; repealing Minnesota Statutes 1976, Sections 43.09, Subdivision 7; and 43.12, Subdivisions 4 and 9.

Senate File No. 1337 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 21, 1977

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. 1395 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 1395: A bill for an act relating to education; public television and radio; altering the calculation of matching funds required by public stations; appropriating money; amending Minnesota Statutes 1976, Section 139.18, Subdivisions 1 and 2.

Senate File No. 1395 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 23, 1977

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. 649 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 649: A bill for an act relating to taxation; permitting certain appeals of assessments to the commissioner of revenue; providing for appointment of local assessors or termination of their offices; refining terms of senior citizens property tax freeze; eliminating assessors' bonds; eliminating certification of local treasurers' bonds; providing for appeal of property classification; defining certain powers of boards of equalization; clarifying redemption period for tax-forfeited lands; amending Minnesota Statutes 1976, Sections 270.11, Subdivision 7; 270.50; 273.011, Subdivision 4; 273.012, Subdivision 2; 273.04; 273.05, Subdivisions 1 and 2; 273.06; 273.061, Subdivision 3; 274.01, Subdivision 1; 274.13, Subdivision 1; 276.12; and 281.17; and Chapter 270, by adding a section.

Senate File No. 649 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 23, 1977

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. 124 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 124: A bill for an act relating to women; establishing pilot programs to provide emergency shelter and support services to battered women; providing funds to establish community education programs about battered women; providing for data collection; waiving certain general assistance eligibility requirements for battered women; appropriating money; amending Minnesota Statutes 1976, Section 256D.05, by adding a subdivision.

Senate File No. 124 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Returned May 23, 1977

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. 1467 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 1467: A bill for an act relating to the organization and operation of state government; appropriating money for the general administrative and judicial expenses of state government and limiting the use thereof; providing for the transfer of certain moneys in the state treasury; authorizing land acquisition in certain cases; fixing and limiting the amount of fees to be collected in certain cases; amending Minnesota Statutes 1976, Sections 10.30; 16A.095, Subdivision 2; 16A.10, Subdivisions 1 and 2; 16A.11, Subdivisions 2 and 3; 43.09, Subdivision 2; 43.31; 98.46, by adding a subdivision; 168.33, Subdivisions 2 and 7; 176.602; 183.545, Subdivisions 1, 3 and 4; 183.57, Subdivision 2; 186.04; 260.311, Subdivision 2; 268.06, Subdivision 25; 296.06, Subdivision 2; 296.12, Subdivision 1; 326.241, Subdivision 3; 362.125; 363.14, by adding a subdivision; 462.389, Subdivision 4; Chapter 16A, by adding a section; Laws 1971, Chapter 121, Section 2, as amended; and Laws 1976, Chapter 260, Section 3; repealing Minnesota Statutes 1976, Sections 15.61, Subdivision 3; 16.173; 16A.095, Subdivision 1; 16A.12 and 176.603.

Senate File No. 1467 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 23, 1977

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 311 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 311

A bill for an act relating to courts; providing for the selection of chief judges; permitting the assignment of judges to serve in other judicial districts; prescribing duties of the chief justice; providing for the rotation of the duties of family court in Hennepin county; providing for the rotation of the duties of juvenile court in Hennepin and Ramsey counties; prescribing duties of the supreme court administrator; providing continuous terms of court; providing for the payment of judges' salaries and expenses; abolishing de novo jurisdiction of district courts when hearing appeals; creating the office of district administrator; abolishing the office of justice of the peace; providing for appellate panels in district court; providing for the compensation of certain judges upon compliance with certain provisions of the law; amending Minnesota Statutes 1976, Sections 2.724; 260.021, Subdivisions 2 and 3; 480.15, by adding subdivisions; 480.17; 480.18; 484.08; 484.34; 484.54; 484.62; 484.63; 484.65, Subdivisions 1 and 6; 484.66; 485.01; 485.018, by adding a subdivision; 487.01, Subdivisions 1, 3, 5 and 6; 487.02, Subdivision 1; 487.08; 487.25, Subdivision 6;

487.35, Subdivision 1; 487.39; 488.20; 488A.01, Subdivision 10 and by adding a subdivision; 488A.021, Subdivision 8; 488A.10, Subdivisions 1 and 6; 488.111; 488A.12, Subdivision 5; 488A.18, Subdivision 11 and by adding a subdivision; 488A.19, Subdivision 10; 488A.27, Subdivisions 1 and 6; 488A.281; 488A.29, Subdivision 5; and 525.081, Subdivision 7; Chapters 480, by adding a section; 484, by adding a section; 487, by adding a section; and Laws 1977, Chapter 35, Section 18; repealing Minnesota Statutes 1976, Sections 484.05; 484.09; 484.10; 484.11; 484.12; 484.13; 484.14; 484.15; 484.16; 484.17; 484.18; 484.28; 484.29; 484.47; 485.02; 487.03, Subdivision 4; 487.10, Subdivision 6; 487.35, Subdivisions 2, 3, 4, 5 and 6; 487.39, Subdivision 3; 487.41; 488A.01, Subdivision 11; 488A.021, Subdivision 7; 488A.18, Subdivision 12; 488A.19, Subdivisions 8 and 9; 490.124, Subdivision 7; and Chapters 530; 531; 532; and 633.

May 23, 1977

The Honorable Edward J. Gearty
President of the Senate

The Honorable Martin O. Sabo
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 311, report that we have agreed upon the items in dispute and recommend as follows:

That S. F. No. 311 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 2.722, is amended to read:

2.722 [JUDICIAL DISTRICTS.] *Subdivision 1.* [DESCRIPTION.] Effective July 1, 1959, the state is divided into ten judicial districts composed of the following named counties, respectively, in each of which districts two or more judges shall be chosen as hereinafter specified:

1. Goodhue, Dakota, Carver, LeSueur, McLeod, Scott, and Sibley; five judges; and four permanent chambers shall be maintained in Red Wing, Hastings, Shakopee, and Glencoe and one other shall be maintained at the place designated by the chief judge of the district;

2. Ramsey; 12 judges;

3. Wabasha, Winona, Houston, Rice, Olmsted, Dodge, Steele, Waseca, Freeborn, Mower, and Fillmore; six judges; and permanent chambers shall be maintained in Faribault, Albert Lea, Austin, Rochester, and Winona;

4. Hennepin; 19 judges;

5. Blue Earth, Watonwan, Lyon, Redwood, Brown, Nicollet, Lincoln, Cottonwood, Murray, Nobles, Pipestone, Rock, Faribault, Martin, and Jackson; five judges; and permanent chambers shall

be maintained in Marshall, Windom, Fairmont, New Ulm, and Mankato;

6. Carlton, St. Louis, Lake, and Cook; six judges;

7. Benton, Douglas, Mille Lacs, Morrison, Otter Tail, Stearns, Todd, Clay, Becker, and Wadena; four judges; and permanent chambers shall be maintained in Moorhead, Fergus Falls, Little Falls, and St. Cloud;

8. Chippewa, Kandiyohi, Lac qui Parle, Meeker, Renville, Swift, Yellow Medicine, Big Stone, Grant, Pope, Stevens, Traverse, and Wilkin; three judges; and permanent chambers shall be maintained in Morris, Montevideo, and Willmar;

9. Norman, Polk, Marshall, Kittson, Red Lake, Roseau, Mah-nomen, Pennington, Aitkin, Itasca, Crow Wing, Hubbard, Bel-trami, Lake of the Woods, Clearwater, Cass and Koochiching; six judges; and permanent chambers shall be maintained in Crookston, Thief River Falls, Bemidji, Brainerd, Grand Rapids, and Inter-national Falls;

10. Anoka, Isanti, Wright, Sherburne, Kanabec, Pine, Chisago, and Washington; six judges; and permanent chambers shall be maintained in Anoka, Stillwater, and such other places as may be designated by the chief judge of the district.

Subd. 2. [ALTERING BOUNDARIES.] The supreme court, with the consent of a majority of the chief judges of the judicial districts, may alter the boundaries or change the number of judicial districts, except the second and fourth judicial districts.

Sec. 2. Minnesota Statutes 1976, Section 2.724, is amended to read:

2.724 [CHIEF JUSTICE OF SUPREME COURT, DUTIES.] Subdivision 1. When public convenience and necessity require it, the chief justice of the supreme court may assign any judge of the ~~district~~ any court to serve and discharge the duties of judge of any ~~other court in a judicial~~ district not his own at such times as the chief justice may determine. A judge may appeal his assignment to serve on a court in a judicial district not his own to the supreme court and the appeal shall be decided before the assignment is effective. Notwithstanding the provisions of this subdivision, no judge shall be assigned to serve on a court in a judicial district which is located more than 50 miles from the boundary of his judicial district for more than 15 working days in any 12 month period, unless he consents to the assignment.

A transferred judge shall be subject to the assignment powers of the chief judge of the judicial district to which he is transferred.

Subd. 2. To promote and secure more efficient administration of justice, the chief justice of the supreme court of the state shall supervise and coordinate the work of the district courts of the state. The supreme court may provide by rule that the chief justice not be required to write opinions as a member of the supreme court. Its rules may further provide for it to hear and consider cases in

divisions, and it may by rule assign temporarily any retired justice of the supreme court or one district court judge at a time to act as a justice of the supreme court. Upon the assignment of a district court judge to act as a justice of the supreme court a district court judge previously acting as a justice may continue to so act to complete his duties. Any number of justices may disqualify themselves from hearing and considering a case, in which event the supreme court may assign temporarily a retired justice of the supreme court or a district court judge to hear and consider the case in place of each disqualified justice. At any time that a retired justice is acting as a justice of the supreme court under this section, he shall receive, in addition to his retirement pay, such a further sum, to be paid out of the general fund of the state, as shall afford him the same salary as an associate justice of the supreme court.

Subd. 3. When public convenience and necessity require it, the chief justice of the supreme court may assign any municipal judge of the state to serve and discharge the duties of a municipal judge in any other municipality not his own, at such times as the chief justice may determine. Any municipality so served by a municipal judge other than its own shall pay such judge all sums for travel, meals, lodging and communications necessarily paid or incurred by him as a result of such assignment together with the per diem payment specified for a special judge of a municipal court by section 488.22, subdivision 1.

Subd. 4. The chief justice of the supreme court may assign a retired justice of the supreme court to act as a justice of the supreme court pursuant to subdivision 2 or as a judge of any other court. The chief justice may assign a retired judge of the district any court to act as a judge of the district any court in any judicial district or any other court except the supreme court. The chief justice may assign any other retired judge to act as a judge of any court whose jurisdiction is not greater than the jurisdiction of the court from which he retired. Unless otherwise provided by law, A judge acting pursuant to this subdivision shall receive pay and expenses in the amount and manner provided by law for actively serving retired district judges serving on the court to which the retired judge is assigned, less the amount of retirement pay which the judge is receiving. A judge acting pursuant to this subdivision or any other law providing for the service of retired judges shall be paid only his expenses for service performed while still receiving the full pay of the office from which he retired.

Subd. 4. The chief justice shall exercise general supervisory powers over the courts in the state. His powers shall include, but not be limited to:

(a) Supervision of the courts' financial affairs, programs of continuing education for judicial and nonjudicial personnel and planning and operations research;

(b) Serving as chief representative of the court system and as liaison with other governmental agencies for the public; and

(c) Supervision of the administrative operations of the courts.

The chief justice may designate other justices or judges to assist him in the performance of his duties.

Sec. 3. Minnesota Statutes 1976, 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, a judge of county court, a judge of county municipal court, a judge of probate 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 university 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 university 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 university board of the state of Minnesota, revenue fund or the university 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.

Sec. 4. Minnesota Statutes 1976, Section 43.47, Subdivision 6, is amended to read:

Subd. 6. A judge of any court, and An officer or employee thereof of any court except as otherwise provided in section 43.43;

Sec. 5. Minnesota Statutes 1976, Section 271.01, Subdivision 1, is amended to read:

271.01 [CREATION.] Subdivision 1. [MEMBERSHIP, APPOINTMENT, QUALIFICATIONS.] There is hereby created a tax court of appeals, herein called the tax court of appeals, as an independent agency of the executive branch of the government, in the department of revenue, but not in any way subject to the supervision or control of the commissioner of revenue. The tax court of appeals shall consist of three judges, each of whom shall be a citizen of the state, appointed by the governor, by and with the advice and consent of the senate. They shall be selected on the basis of their experience with and knowledge of taxation and tax laws. So far as practicable, they shall be nonpartisan in their political affiliations, and not more than two of them shall be members of or affiliated with the same political party or organization. No judge of the tax court of appeals shall hold any other office under this state or any of its political subdivisions, nor any other office or position the salary for which is paid, in whole or in part, from appropriations from the tax revenues of the state of Minnesota, nor any office under the government of the United States or any other state, nor be a candidate for an elective office under the laws of this state or of the United States or of any other state. No judge of the tax court of appeals shall hold any position of trust or profit or engage in any occupation or business which would conflict with or be inconsistent with his duties as a judge of the tax court of appeals, nor serve on or under any political committee or other organization interested in any election, nor take part, directly or indirectly, in any election campaign in the interest of any political party or other organization or any candidate or measure to be voted upon by the people. No judge of the tax court of appeals shall act as attorney, counselor, or accountant in the matter of any tax, fee, or assessment imposed or levied under authority of this state or any political subdivision thereof.

Sec. 6. Minnesota Statutes 1976, Section 480.15, is amended by adding subdivisions to read:

Subd. 10a. The court administrator shall prepare uniform standards and procedures for the recruitment, evaluation, promotion, in-service training and discipline of all personnel in the court system other than judges, referees, judicial officers, court reporters and court services officers. The court administrator shall file a report on the uniform standards and procedures with the legislature by June 30, 1978.

Subd. 10b. The court administrator shall promulgate and administer uniform requirements for court budget and information systems, the compilation of statistical information, and the collection, storage and use of court records.

Sec. 7. Minnesota Statutes 1976, Section 480.17, is amended to read:

480.17. [JUDGES; CLERKS; OTHER OFFICERS; TO COMPLY WITH REQUESTS OF THE COURT ADMINISTRATOR AND DISTRICT ADMINISTRATORS.] *Subdivision 1. The judges and clerks of the courts and all other officers, state and local, shall comply with all requests made by the court administrator after approval by the chief justice, for information and statistical data bearing on the state of the dockets of such courts and such other information as may reflect the business transacted by them and the expenditure of public moneys for the maintenance and operation of the judicial system.*

Subd. 2. The failure of a judge or state or local officer to comply with requests made by the court administrator pursuant to subdivision 1 is grounds for removal from office by the appointing authority. Nothing in this subdivision shall be construed to restrict the power of the district court to remove a clerk of court from office.

Subd. 3. Every clerk of court shall also comply with requests for statistical or other information made by the district administrator of the judicial district in which the clerk serves.

Sec. 8. Minnesota Statutes 1976, Section 480.18, is amended to read:

480.18 [CONFERENCE OF JUDGES; JUDGE'S EXPENSES.] *At least once each year the supreme court of this state may provide by rule or special order for the holding in this state of an annual chief justice shall call a conference of the judges of the courts of record of this state, and of members of the respective judiciary committees of the legislature, and of invited members of the bar, for the consideration of matters relating to judicial business, the improvement of the judicial system, and the administration of justice. Each judge attending such the annual judicial conference shall be entitled to be reimbursed for his necessary expenses to be paid from state appropriations made for the purposes of sections 480.13 to 480.20.*

Sec. 9. Minnesota Statutes 1976, Chapter 480, is amended by adding a section to read:

[480.22] *The supreme court shall designate the location of*

chambers for judges of all courts in the state after consultation with the judges of the affected judicial district. Chambers locations set forth in section 2.722, subdivision 1, shall remain in effect until changed pursuant to this section.

Sec. 10. Minnesota Statutes 1976, Section 484.08, is amended to read:

484.08 [DISTRICT COURTS TO BE OPEN AT ALL TIMES.] The district courts of the state shall be deemed open at all times, except on legal holidays and Sundays, for the transaction of such business as may be presented, including the issuance of writs and processes, the hearing of matters of law in pending actions and proceedings, and the entry of judgments and decrees therein; and, in addition to the general terms appointed by law to be held, which may be adjourned from time to time, the judge of the district court, or one thereof in districts of more than one judge, may by order filed with the clerk, convene the court in actual session during the vacation period on a date named in the order, for the trial of both civil actions involving public interest and criminal actions, whenever in his judgment public interests will thereby be promoted. When so convened, the court may, by order entered in the minutes by the clerk, direct the issuance of special venues for grand and petit juries, returnable on a named date, for the performance of such duties as may be submitted by the court in the usual course of procedure. Civil actions involving public interests may be noticed for trial at an adjourned sitting of such term occurring more than eight days after the date of calling same, and informations by the county attorney charging the commission of crimes within the county may, as authorized by law, be presented at such terms, and any such information then presented and filed and all indictments then returned by the special grand jury shall be proceeded with by the court in all respects in harmony with the law applicable to other cases and other terms of the court. The judge of the district court may also, by order filed with the clerk, appoint special terms in any county of the district for the hearing of matters of law. *The terms of the district courts shall be continuous.*

Sec. 11. Minnesota Statutes 1976, Section 484.54, is amended to read:

484.54 [EXPENSES OF JUDGES.] *Subdivision 1.* 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 while absent from their places of residence in the discharge of their official duties, except that a judge shall not be paid such travel expenses for travel from his place of residence to and from his permanent chambers.

Except as provided in subdivision 2, judges shall be compensated for travel and subsistence expenses in the same manner and amount as state employees. Additionally, judges of the district court shall be reimbursed for all sums, not reimbursed by counties, they shall necessarily hereafter pay out for only the following purposes: telephone tolls, postage, expressage, stationery, including printed letterheads and envelopes for official business; membership dues in

the American bar association and affiliated sections, the state bar association and affiliated local district associations, and state and local district judges association; and registration fees, tuition, travel and subsistence for attending educational programs, attendance at which is approved by the supreme court; and, for delegates as designated by the supreme court, travel and subsistence for attending regular meetings of the American bar association and its affiliated sections. Travel and subsistence expenses shall be paid in the same manner and amount as for state employees.

Subd. 2. A judge shall be paid travel expenses for travel from his place of residence to and from his permanent chambers only for a period of two years after the effective date of this section or the date he initially assumes office, whichever is later.

Subd. 3. Each judge claiming reimbursement for allowable expenses may file with the supreme court monthly and shall file not later than 90 days after the expenses are incurred, an itemized statement, verified by the judge, of all allowable expenses actually paid by him. 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. 12. Minnesota Statutes 1976, Section 484.62, is amended to read:

484.62 [COMPENSATION AND REPORTER.] When such a retired judge undertakes such service, he shall be provided at the expense of the county in which he is performing such the service with a reporter, selected by such the retired judge, clerk, bailiff, if the judge deems a bailiff necessary, and a courtroom or hearing room for the purpose of holding court or hearings, to be paid for by the county in which such the service is rendered and shall be paid in addition to his retirement compensation and not affecting the amount thereof, the sum of \$50 per diem for such additional service, together with travel pay in the sum of nine cents per mile same amount and manner as other state employees and his actual expenses incurred in such the service, said payment to be made in the same manner as the payment of salaries for district judges of the district court, on certification by the preceding or senior chief judge of the judicial district or by the chief Judge justice of the supreme court of the state of Minnesota. A deputy clerk may act as bailiff when called to do so for the purposes of this section.

Sec. 13. Minnesota Statutes 1976, Section 484.63, is amended to read:

484.63 [APPEAL.] *Subdivision 1.* Any person convicted of a petty misdemeanor or a violation of a municipal ordinance punishable by a fine only may appeal from the conviction to the district court upon questions of law only. Any person convicted of a violation of a municipal ordinance for which a sentence of imprisonment is authorized may appeal to the district court in the same manner and with the same effect as provided by chapter 633, except that the appellant shall not have the right to a jury trial unless he was convicted of the violation of a municipal ordinance, charter provi-

sion, rule or regulation for which a sentence to imprisonment is authorized and he was not tried by jury in the municipal court. An aggrieved party may appeal to the district court from a determination of a county court or a county municipal court as provided in section 487.39. The appeal shall be heard by a panel of three judges in the district in which the action was first adjudicated. The judges shall be assigned by the chief judge of the judicial district. Upon request by the chief judge of the judicial district the supreme court may temporarily assign a judge from another district to serve on an appellate panel pursuant to section 2.724, subdivision 1.

Subd. 2. The chief judge of the judicial district may schedule appellate terms for the hearing of appeals from lower courts. He shall give three weeks' written notice of every appellate term to the clerks of the district court in the counties in which the appeals arose.

Subd. 3. Pleading, practice, procedure and forms in appellate actions shall be governed by rules of procedure adopted by the supreme court for appeal from county to district court. On appeal to the district court briefs shall be acceptable if reproduced from a typewritten page by any means which produces a clear black on white copy.

Sec. 14. Minnesota Statutes 1976, Section 484.65, Subdivision 1, is amended to read:

484.65 [FAMILY COURT DIVISION; FOURTH JUDICIAL DISTRICT.] Subdivision 1. In the fourth judicial district, a family court division of the district court is hereby created to be presided over by a district court judge appointed by the chief judge of the judicial district to serve for a term not exceeding two years. The judge appointed or elected to said this office shall be designated as the district court judge, family court division. Said district court judge shall be elected or appointed in the manner as provided for the election or appointment of other district court judges, except that he shall be designated district court judge, family court division, and at the primary or general election the office shall be so designated on the ballot. No judge may be appointed to serve consecutive terms as the district court judge, family court division.

Sec. 15. Minnesota Statutes 1976, Section 484.65, Subdivision 6, is amended to read:

Subd. 6. Vacancies in the office of district court judge, family court division, shall be filled in the manner prescribed by law for the filling of vacancies in the office of other judges of the district court. A person appointed to fill a vacancy in the office of district court judge, family court division shall serve in that office for the unexpired portion of the term during which the vacancy occurred, but may not be appointed to serve as district court judge, family division during the next consecutive term.

Sec. 16. Minnesota Statutes 1976, Section 484.66, is amended to read:

484.66 [DISTRICT ADMINISTRATOR; FOURTH JUDI-

CIAL DISTRICT.] Subdivision 1. In the county of Hennepin, the district court administrator shall assume the statutory duties of the clerk of district court.

Subd. 2. The duties, functions and responsibilities which have been heretofore and which may be hereafter required by statute or law to be performed by the clerk of district court shall be performed by the district court administrator, whose office is who shall be appointed by the district court judges of the fourth judicial district pursuant to section 17.

The district court administrator, subject to the approval of a majority of the judges of the district court, and a majority of the judges of the county municipal court in the fourth judicial district, shall have the authority to initiate and direct any reorganization, consolidation, reallocation or delegation of such duties, functions or responsibilities for the purpose of promoting efficiency in county government, and may make such other administrative changes as are deemed necessary for this purpose. Such reorganization, reallocation or delegation, or other administrative change or transfer shall not diminish, prohibit or avoid those specific duties required by statute or law to be performed by the clerk of district court.

Sec. 17. Minnesota Statutes 1976, Chapter 484, is amended by adding a section to read:

[484.67] [DISTRICT ADMINISTRATOR.] Subdivision 1. [APPOINTMENT.] By November 1, 1977, the chief judge of the judicial district in each judicial district shall appoint a single district administrator, subject to the approval of the supreme court, with the advice of the judges of the judicial district.

The district administrator shall serve at the pleasure of a majority of the judges of the judicial district.

Subd. 2. [STAFF.] The district administrator shall have such deputies, assistants and staff as the judges of the judicial district deem necessary to perform the duties of the office.

Subd. 3. [DUTIES.] The district administrator shall:

(a) Assist the chief judge in the performance of his administrative duties;

(b) Manage the administrative affairs of the courts of the judicial district;

(c) Supervise the clerks of court and other support personnel, except court reporters, who serve in the courts of the judicial district;

(d) Comply with the requests of the state court administrator for statistical or other information relating to the courts of the judicial district; and

(e) Perform any additional duties that are assigned to him by law or by the rules of court.

Subd. 4. The district administrator shall serve as secretary for meetings of the judges of the judicial district.

Subd. 5. The office budget of the district administrator shall be set by the chief judge of the judicial district and apportioned among the counties of the district.

Subd. 6. The salary of the district administrator shall be set by the state court administrator within the limits provided in section 15A.083, and shall be paid by the state. The salaries of the district administrators of the second and fourth judicial districts may be supplemented by the appropriate county board by an amount not to exceed \$10,000 per year.

Sec. 18. Minnesota Statutes 1976, Section 485.01, is amended to read:

485.01 [APPOINTMENT; BOND; DUTIES.] There shall be elected in each county a clerk of the district court; who, for each county within the judicial district shall be appointed by a majority of the district court judges in the district, after consultation with the county court judges of the county court district affected. The clerk, before entering upon the duties of his office, shall give bond to the state, to be approved by the county board chief judge of the judicial district, in a penal sum of not less than \$1,000 nor more than \$10,000 conditioned for the faithful discharge of his official duties. In the second judicial district the amount of such bond shall be \$10,000 and in the fourth judicial district the amount of such bond shall be \$25,000, which The bond, with his oath of office, shall be filed for record with the county recorder. Such The clerk shall perform all duties assigned him by law and by the rules of the court. He shall not practice as an attorney in the court of which he is the clerk.

Sec. 19. Minnesota Statutes 1976, Section 485.018, is amended by adding a subdivision to read:

Subd. 2a. Upon certification by the state court administrator that the clerk of district court has failed to perform any of the duties assigned to him by law or by rule of court, the county board shall withhold the salary of the clerk, and shall not pay the salary until receipt of notice from the state court administrator that the clerk has performed the duties assigned to him by law or by rule of court.

Nothing in this subdivision shall be construed to prohibit the judges of the district court from removing a clerk of district court from office.

Sec. 20. Minnesota Statutes 1976, Section 487.01, Subdivision 1, is amended to read:

487.01 [PROBATE AND COUNTY COURTS; PROVISIONS.] Subdivision 1. A probate court, which shall be a court of record having a seal, and, except in the counties of Hennepin and Ramsey shall also be a county court, is established in each county. The court shall be open for the transaction of business at the county seat at all reasonable hours. Hearings may be had at such times and

places in the county as the court may deem advisable. The necessary and reasonable traveling expenses of judges, judicial officers, referees, reporters, clerks, and employees in attending hearings in places other than the county seat incident to their duties shall be paid by the county. *The county courts of the state shall be in continuous session and shall be deemed open at all times, except on legal holidays and Sundays.*

Sec. 21. Minnesota Statutes 1976, Section 487.01, Subdivision 3, is amended to read:

Subd. 3. The following combined probate and county court districts are established: Kittson, Roseau and Lake of the Woods; Marshall, Red Lake and Pennington; Norman, Clearwater and Mahnomen; Cass and Hubbard; Wadena and Todd; Mille Lacs and Kanabec; Wilkin, Big Stone and Traverse; Swift and Stevens; Pope, Grant and Douglas; Lac qui Parle, Yellow Medicine and Chippewa; Lincoln and Lyon; Murray and Pipestone; Jackson and Cottonwood; Rock and Nobles; Dodge and Olmsted; Lake and Cook; Aitkin and Carlton; Sibley, Meeker and McLeod; Martin, Watonwan and Faribault; Houston and Fillmore; Nicollet and Le Sueur; Winona and Wabasha; Pine, Isanti and Chisago; Sherburne, Benton and Stearns. *Notwithstanding the provisions of this paragraph the separation of combined county court districts by concurrent action of county boards before April 23, 1977, shall continue to be in effect unless the districts are combined pursuant to subdivision 6.*

A combined county court district may be separated into single county courts by the concurrence of the county boards of the respective counties affected supreme court. Vacancies in the office of judge created by such a separation shall be filled in the manner herein provided for the selection of other county court judges.

The single county court districts so created by such separation shall each be entitled to one judge, subject to the provisions of subdivision 5, clause (5), provided, however, that if the number of judges of the combined county court district exceeds the number of counties, then, upon separation into single county court districts, the county having the largest population determined by the last United States census shall be entitled to two judges and in the event there are more judges than counties remaining, the county having the next largest population determined by the last United States census shall also be entitled to two judges.

In each other county except Hennepin and Ramsey, the probate court of the single county is also the county court of the county and shall be governed by the provisions of sections 487.01 to 487.39.

Sec. 22. Minnesota Statutes 1976, Section 487.01, Subdivision 5, as amended by Laws 1977, Chapter 35, Section 14, is amended to read:

Subd. 5. Each county court district shall elect one county court judge except:

- (1) The district consisting of St. Louis county shall elect six

judges; two of the county court judges shall reside and serve in and be elected at large by the voters of St. Louis county; two of the county court judges shall reside and serve in and be elected by the voters in that part of St. Louis county south of the following described line: South of the south line of township 55; the area to be known as the south district; one county court judge shall reside and serve in and be elected by the voters of an area to be known as the northwest district, which area lies within the following described lines in St. Louis county: North of the south line of township 55 and west of the west line of range 18 and excluding that part of Portage township west of the west line of range 18; and one county court judge shall reside and serve in and be elected by the voters of an area to be known as the northeast district, which area lies within the following described lines in St. Louis county: North of the south line of township 55 and east of the west line of range 18 and including that part of Portage township west of the west line of range 18.

(2) The district consisting of Dakota county, the district consisting of Anoka county and the district consisting of Stearns, Sherburne and Benton shall each elect five judges;

(3) The district consisting of Olmsted and Dodge counties, the district consisting of Winona and Wabasha counties and the district consisting of Washington county following districts shall each elect three judges ; :

Olmsted and Dodge counties,

Washington county,

Blue Earth county,

Pine, Isanti and Chisago counties;

(4) The district consisting of Blue Earth county, the district consisting of Clay county, the district consisting of Sibley, Meeker and McLeod counties, the district consisting of Martin, Watonwan and Faribault counties and the district consisting of Pine, Chisago and Isanti counties following districts shall each elect two county court judges ; :

Clay county,

Carver county,

Cass and Hubbard counties,

Crow Wing county,

Douglas and Grant counties,

Freeborn county,

Marshall county,

Red Lake and Pennington counties,

Mower county,

Otter Tail county,

Rice county,

Scott county,

Winona county,

Wright county,

Kandiyohi county.

(5) The number of judges to be elected may be increased by the county board of the affected county or by the concurrence of the county boards of those affected counties combined into districts; provided that no new judge positions authorized pursuant to this section may be created without specific statutory authorization. *Notwithstanding the other provisions of this subdivision, county judge positions created by county board action prior to April 23, 1977, shall be continued unless terminated pursuant to subdivision 6.*

Sec. 23. Minnesota Statutes 1976, Section 487.01, Subdivision 6, is amended to read:

Subd. 6. For the more effective administration of justice, *the supreme court may combine two or more county court districts may combine their respective county court districts into a single county court district by concurrence of the county boards of the respective counties affected. If districts are combined, the office of a judge may be terminated at the expiration of his term and he shall be eligible for retirement compensation under the provisions of section 487.06 sections 490.121 to 490.132. If the office of a judge who has not qualified for retirement compensation is terminated he shall upon attaining age 62 or more, be entitled to an annuity or proportionate annuity as computed under the provisions of sections 490.121 to 490.132 based upon his years of service as a judge. A judge whose office is terminated shall continue to receive the insurance coverage provided for a judge of the office but shall pay the premiums himself.*

Sec. 24. Minnesota Statutes 1976, Section 487.02, Subdivision 1, as amended by Laws 1977, Chapter 35, Section 15, is amended to read:

487.02 [PAYMENT OF EXPENSES.] Subdivision 1. The salary and traveling expenses of a judge of the county court shall be paid by the state in the amount prescribed by section 15A.083. Expenses shall be paid *by the state* in the same manner and amount as provided for judges of the district court in section 484.54.

Sec. 25. Minnesota Statutes 1976, Section 487.08, is amended to read:

487.08 [JUDICIAL OFFICERS ABOLISHED.] *When the judicial business of a county court requires, the county court may appoint one or more full or part time judicial officers who shall be learned in the law and whose salary shall be fixed by the county court, with the approval of the county board or boards of the counties of the district, and paid by the county. They shall serve at the*

pleasure of the county court. They shall hear and try such matters as shall be assigned to them by the county court judge. Before entering upon the duties of office each judicial officer shall take and subscribe an oath, in the form provided by law for judicial officers, and a certified copy of the oath shall be filed in the office of each of the county auditors within the county court district. *The office of judicial officer is abolished.*

Sec. 26. Minnesota Statutes 1976, Section 487.25, Subdivision 6, is amended to read:

Subd. 6. [TRIALS BY JURY; ORDINANCES.] In a trial upon a charge of a violation of any municipal ordinance, charter provision, rule or regulation, the defendant shall have a right to a trial by jury. *In any prosecution brought in a county court or a county municipal court in which conviction of the defendant for the offense charged could result in imprisonment, the defendant has the right to a jury trial.*

Sec. 27. Minnesota Statutes 1976, Section 487.35, Subdivision 1, is amended to read:

487.35 [JUSTICES OF THE PEACE.] Subdivision 1. [ABOLISHED.] On the date Laws 1971, Chapter 951 becomes effective in a county court district The office of justice of the peace is abolished within every municipality in which the county court holds regular sessions or establishes an ordinance and traffic violations bureau. For purposes of this subdivision, the term municipality includes any township, part of which is within the boundaries of an affected municipality.

Sec. 28. Minnesota Statutes 1976, Section 487.39, is amended to read:

487.39 [APPEALS.] Subdivision 1. An aggrieved party may appeal to a *the* district court judge from a determination of a county court or a county municipal court. The provisions of this section govern all appeals from the county court *and the county municipal court*; appeal provisions of all other statutes are inapplicable except as stated in subdivision 3 Minnesota Statutes, Section 484.63.

(a) Except as provided in clause (b), the appeal in a civil case shall be taken by filing written notice thereof with the clerk of court of the county in which the action was heard not more than 30 days after written notice of the court's determination has been served upon the aggrieved party or his attorney, or in any event within three months after the determination in a civil case.

(b) In the appeal of petty misdemeanor, ordinance or criminal cases the written notice of appeal shall be filed with the clerk of court of the county in which the action was heard within ten days of the conviction or other determination, and sentencing thereon, appealed from.

(c) A written notice of appeal shall be served by the appellant upon all parties to the original proceedings or their attorneys not more than five days after filing a written notice of appeal and

proof of such service shall be filed with the clerk of county court or county municipal court in the county in which the action was heard not more than three days after the service of such notice on the opposite party or his attorney. The appeal shall be heard and determined by a district court judge *appellate panel pursuant to section 484.63*.

Subd. 2. The appeal shall be confined to the typewritten record. By stipulation of all parties, the record may be shortened. The district court judge shall, upon request, hear oral argument and receive written briefs. The district court judge may affirm, reverse or modify the judgment or order appealed from, or take any other action as the interests of justice may require. On appeal from an order, the district court judge may review any order affecting the order from which the appeal is taken and an appeal from a judgment may review any order involving the merits or affecting the judgment. The supreme court shall formulate rules of appellate procedure applicable to a district court judge *panel* hearing appeals from a county court or county municipal court. Until otherwise provided, the rules of appellate procedure applicable to appeals to the supreme court shall apply to a *the* district court judge hearing appeals from a county court or a county municipal court, except as provided in this section. An appeal may be taken from the determination of a district court judge to the supreme court with leave of the supreme court.

Subd. 3. Notwithstanding the provisions of subdivisions 1 and 2, an appeal from a determination of the county court in a case in which the presiding judge or judicial officer was not learned in the law shall be to the district court under the provisions of law now governing appeals from probate court and the case shall be heard de novo.

Sec. 29. Minnesota Statutes 1976, Section 488A.01, Subdivision 10, is amended to read:

Subd. 10. [CONTINUOUS TERMS.] The court shall be open every day, except Sundays and legal holidays. The court shall hold a general term for the trial of civil actions commencing on the first Monday following Labor Day of each year and continuing until the next general term, with such adjournments as the judges may determine to be necessary and proper *The term of the court shall be continuous.*

Sec. 30. Minnesota Statutes 1976, Section 488A.01, is amended by adding a subdivision to read:

Subd. 14. [APPEALS.] *Appeals from the county municipal court to the district court shall be subject to the provisions of Minnesota Statutes, Sections 484.63 and 487.39.*

Sec. 31. Minnesota Statutes 1976, Section 488A.021, Subdivision 8, as amended by Laws 1977, Chapter 35, Section 16, is amended to read:

Subd. 8. [SALARIES.] Each judge shall be paid by the state an annual salary in the amount prescribed by section 15A.083. If

a judge dies while in office, the amount of his salary remaining unpaid for the month in which his death occurs shall be paid to his estate. Each judge shall be paid expenses *by the state* in the same manner and amount as provided for judges of the district court in section 484.54.

Sec. 32. Minnesota Statutes 1976, Section 488A.10, Subdivision 1, is amended to read:

488A.10 [PLEADING, PRACTICE, PROCEDURE, AND FORMS IN CRIMINAL PROCEEDINGS.] Subdivision 1. [GENERAL.] Save as otherwise provided in this ~~act~~ *chapter*, pleading, practice, procedure and forms in actions or proceedings charging violation of a criminal law or a municipal ordinance, charter provision, rule or regulation are governed by the statutes and common law rules which govern in a similar action or proceeding in the district court of Hennepin county (other than those applying peculiarly to felony or gross misdemeanor charges) or by statutes which govern in *county courts of justices of the peace in chapter 487* in the absence of statutes or common law rules governing in said district court.

Sec. 33. Minnesota Statutes 1976, Section 488A.10, Subdivision 6, is amended to read:

Subd. 6. [TRIALS BY JUDGE WITHOUT JURY.] A charge of a violation of any petty misdemeanor law of this state or municipal ordinance, charter provision, rule or regulation, shall be heard, tried and determined by a judge without a jury, and the defendant shall have no right to a jury trial on such a charge, except as required by section 160.03 or otherwise required by law. In the event of such trial without jury, there shall be a right of appeal as provided in section 488.20. *In any prosecution brought in a county court or a county municipal court in which conviction of the defendant for the offense charged could result in imprisonment, the defendant has the right to a jury trial.*

Sec. 34. Minnesota Statutes 1976, Section 488A.111, is amended to read:

488A.111 [PAYMENT OF COURT EXPENSES.] All salaries of the judges of the municipal court of the county of Hennepin, court reporters, the clerk, deputy clerks and all other employees of said *the county municipal court of Hennepin county court*, and all expenses of said *the court* shall be paid from the treasury of Hennepin county. The board of county commissioners of Hennepin county is authorized to levy taxes annually against each dollar of taxable property within the county as may be necessary for the establishment, operation and maintenance of the court.

Sec. 35. Minnesota Statutes 1976, Section 488A.12, Subdivision 5, is amended to read:

Subd. 5. [CONTINUOUS TERM.] The judges shall hold terms of court from time to time as necessary *continuously* to hear and dispose of all claims as promptly as feasible after filing.

Sec. 36. Minnesota Statutes 1976, Section 488A.18, Subdivision 11, is amended to read:

Subd. 11. [TERMS.] The court shall be open every day, in continuous session and deemed open at all times except Sundays and legal holidays. The court shall hold a general term for the trial of civil actions with such adjournments as the judges may determine to be necessary and proper.

Sec. 37. Minnesota Statutes 1976, Section 488A.18, is amended by adding a subdivision to read:

Subd. 14. [APPEALS.] Appeals from the county municipal court to the district court shall be subject to the provisions of Minnesota Statutes, Sections 484.63 and 487.39.

Sec. 38. Minnesota Statutes 1976, Section 488A.19, Subdivision 10, as amended by Laws 1977, Chapter 35, Section 17, is amended to read:

Subd. 10. [SALARIES.] Each judge shall be paid by the state an annual salary in the amount prescribed by section 15A.083. If a judge dies, the amount of his salary remaining unpaid for the month in which his death occurs shall be paid to his estate. Each judge shall be paid expenses by the state in the same manner and amount as provided for judges of the district court in section 484.54.

Sec. 39. Minnesota Statutes 1976, Section 488A.27, Subdivision 1, is amended to read:

488A.27 [PLEADING, PRACTICE, PROCEDURE, AND FORMS IN CRIMINAL PROCEEDINGS.] Subdivision 1. [GENERAL.] Save as otherwise provided in this act chapter , pleading, practice, procedure and forms in actions or proceedings charging violation of a statute, ordinance, charter provision, rule or regulation shall be governed by the statutes and common law rules which govern in a similar action or proceeding in the district court (other than those applying peculiarly to felony or gross misdemeanor charges) or by statutes which govern in county courts of justices of the peace in chapter 487 in the absence of statutes or common law rules governing in district court.

Sec. 40. Minnesota Statutes 1976, Section 488A.27, Subdivision 6, is amended to read:

Subd. 6. [TRIALS BY JUDGE WITHOUT JURY.] A charge of a violation of any petty misdemeanor law of this state, municipal ordinance, charter provision, rule or regulation, other than a violation dealing with driving while under the influence of an alcoholic beverage or narcotic drug, speeding that is a third or further offense occurring in one year, or careless or reckless driving where a personal injury is involved, shall be heard, tried and determined by a judge without a jury and the defendant shall have no right to a jury trial on such a charge, except as required by section 169.03 or as otherwise required by law. In the event of such trial without jury, there shall be a right of appeal as provided in section 488.20, and provided further that where there has been a conviction in a trial

without jury as provided above, the commissioner of transportation shall not by reason thereof revoke or suspend the defendant's driver's license. In any prosecution brought in a county court or a county municipal court in which conviction of the defendant for the offense charged could result in imprisonment, the defendant has the right to a jury trial.

Sec. 41. Minnesota Statutes 1976, Section 488A.281, is amended to read:

488A.281 [PAYMENT OF COURT EXPENSES.] All salaries of the judges of the municipal court of the county of Ramsey, court reporters, the court administrator, and all other employees of said the county municipal court of Ramsey county court, and all expenses of said the court shall be paid from the treasury of Ramsey county in biweekly installments. The board of county commissioners of Ramsey county is authorized to levy taxes annually against each dollar of taxable property within the county as may be necessary for the establishment, operation and maintenance of the court. Such The tax is not subject to any limitation on taxing power contained in any other law or charter provision and is in addition to any other tax levied by such that body.

Sec. 42. Minnesota Statutes 1976, Section 488A.29, Subdivision 5, is amended to read:

Subd. 5. [TERMS OF COURT.] The judges shall hold terms of court from time to time as necessary continuously to hear and dispose of all claims as promptly as feasible after filing.

Sec. 43. Minnesota Statutes 1976, Section 525.04, is amended to read:

525.04 [JUDGE; ELECTION, QUALIFICATIONS, BOND.] There shall be elected in each county a Hennepin county and Ramsey county probate judge judges who shall be learned in the law, except that probate judges now in office shall be considered learned in the law insofar as being eligible to continue in office and to be re-elected to same. Before he a judge enters upon the duties of his office he shall execute a bond to the state in the amount of \$1,000, approved by the county board and conditioned upon the faithful discharge of his duties. Such The bond with his oath shall be recorded in the office of the county recorder. The premiums on such the bond and the expenses of such the recording and filing shall be paid by the county. An action may be maintained on such the bond by any person aggrieved by the violation of the conditions thereof.

Sec. 44. Minnesota Statutes 1976, Section 525.081, Subdivision 7, is amended to read:

Subd. 7. No judge of the probate court in any county having a population of 25,000 or more, shall practice as an attorney or counselor at law, nor shall he be a partner of any practicing attorney in the business of his profession, nor shall he serve as an appraiser in any estate proceeding.

Sec. 45. [CHIEF JUDGE.] Subdivision 1. By July 1, 1977, the judges of the district, county, county municipal and probate

courts resident in each of the judicial districts shall meet and elect from among their number a single chief judge and an assistant chief judge. The chief judge and the assistant chief judge shall serve a term of two years beginning July 1 of the year in which they are elected. No judge may serve as chief judge or assistant chief judge for more than two consecutive two-year terms.

The seniority of judges and rotation of the position of chief judge or assistant chief judge shall not be criteria for the election of the chief judge or the assistant chief judge.

A chief judge or assistant chief judge may be removed for cause as chief judge or assistant chief judge by the chief justice of the supreme court, or by a majority of the judges of the judicial district.

Subd. 2. [LIMITATION.] Every chief judge elected prior to July 1, 1981, shall be a judge of the district court. A chief judge elected on or after July 1, 1981 may be a judge of the district, county, county municipal or probate court.

Subd. 3. [ADMINISTRATIVE AUTHORITY.] In each judicial district, the chief judge, subject to the authority of the chief justice, shall exercise general administrative authority over the courts within the judicial district. The chief judge shall make assignments of judges to serve on the courts within the judicial district, and assignments may be made without the consent of the judges affected. The chief judge may assign any judge of any court within the judicial district to hear any matter in any court of the judicial district. When a judge of a court is assigned to another court he is vested with the powers of a judge of the court to which he is assigned. A judge may not be assigned to hear matters outside his judicial district pursuant to this subdivision.

Subd. 4. [SEMI-ANNUAL MEETINGS; JUDICIAL CONFERENCE AGENDA.] The chief judges shall meet at least semi-annually to consider problems relating to judicial business and administration. After consultation with the judges of their respective districts the chief judges shall prepare in conference and submit to the chief justice of the supreme court a suggested agenda for the judicial conference held pursuant to section 480.18.

Subd. 5. [JUDGES' MEETINGS.] The chief judge shall convene a conference at least semi-annually of all judges of the judicial district to consider administrative matters and rules of court and to provide advice and counsel to the chief judge.

Sec. 46. Minnesota Statutes 1976, Section 15A.083, as amended by Laws 1977, Chapter 35, Section 13, is amended to read:

15A.083 [SALARIES FOR POSITIONS IN THE JUDICIAL BRANCH.] Subdivision 1. [ELECTIVE JUDICIAL OFFICERS.] The following salaries shall be paid annually to the enumerated elective judicial officers of the state:

- | | |
|--|----------|
| (1) Chief justice of the supreme court | \$52,000 |
| (2) Associate justice of the supreme court | 49,000 |

- (3) District judge, judge of county court (learned in the law), probate court and county municipal court 40,000
42,000
- (4) Judge of a county court (not learned in the law) 27,000

Subd. 2. [COUNTY COURT AND COUNTY MUNICIPAL JUDGES.] (1) Notwithstanding any other law to the contrary, the salary paid to a judge of a county court shall also be paid to judges of the probate court of St. Louis county and to judges of the Duluth municipal court.

(2) Judges of the county municipal courts, and county courts in the counties of Hennepin, Ramsey, Washington, Anoka, Scott, St. Louis, Carver and Dakota. \$40,000 \$42,000 .

(3) If any judge enumerated in this subdivision dies while in office, the amount of his salary remaining unpaid for the month in which his death occurs, shall be paid to his estate.

Subd. 3. Beginning January 1, 1978, the entire compensation of county, probate and county municipal court judges shall be paid by the state. Beginning on July 1, 1977, the salary increases provided in this act Laws 1977, Chapter 35, Section 13, and this act for county, probate and county municipal judges shall be paid by the state. All payments made pursuant to sections 490.11 and 490.12, subdivision 1, after January 1, 1978, shall be made by the state regardless of whether the payments commenced before or commence after the effective date of this act July 1, 1977 .

Notwithstanding any other provision in this section to the contrary, an increase in compensation provided a district or supreme court judge in this act shall not take effect as to any judge of the district court or any justice of the supreme court who served in the district or supreme court prior to July 1, 1967, until that judge submits an executed agreement to the executive director of the Minnesota state retirement system in accord with section 490.106.

Subd. 3 4 . [RANGES FOR OTHER JUDICIAL POSITIONS.] Salaries or salary ranges are provided for the following positions in the judicial branch of government. The appointing authority of positions for which ranges have been provided shall fix individual salaries under the provisions of section 15A.081, subdivision 2.

Public defender	\$35,000
State court administrator	27,400 35,000 37,400
District administrator	25,000—35,000
County attorneys	
council executive	
director	20,400—29,700

Subd. 4. [TAX COURT OF APPEALS.] Salaries of judges of the tax court of appeals \$15,000

Subd. 5. [REFEREE SALARIES.] Notwithstanding any other law or ordinance to the contrary, no referee or hearing examiner employed by a court in this state shall receive a salary which is in

excess of 90 percent of the salary paid a judge of the court by which he is employed.

Sec. 47. [APPROPRIATION.] *Subdivision 1. There is hereby appropriated from the general fund to the commissioner of finance for the biennium beginning July 1, 1977, the sum of \$300,000 for the purpose of paying the salaries of district administrators.*

Subd. 2. There is hereby appropriated from the general fund to the commissioner of finance for the biennium beginning July 1, 1977, the sum of \$1,350,000 for the purposes of paying the compensation increases, reimbursing the expenses, and making other payments to or on behalf of judges which are authorized by this act.

Sec. 48. [REFEREES ABOLISHED.] *Notwithstanding any other provision of law, the position of referee in the county municipal and district courts of the state is hereby abolished.*

Sec. 49. [REPEALER.] *Minnesota Statutes 1976, Sections 15A.083, Subdivision 2; 484.05; 484.09; 484.10; 484.11; 484.12; 484.13; 484.14; 484.15; 484.16; 484.17; 484.18; 484.28; 484.29; 484.34; 484.47; 485.02; 487.03, Subdivision 4; 487.05; 487.10, Subdivision 6; 487.35, Subdivisions 2, 3, 4, 5 and 6; 487.39, Subdivisions 3; 487.41; 488A.01, Subdivision 11; 488A.021, Subdivisions 7 and 8; 488A.18, Subdivision 12; 488A.19, Subdivisions 8, 9 and 10; 490.124, Subdivision 7; 525.081, Subdivisions 1, 2, 3, 4, 5, 6, 8 and 9; and Chapters 488; 530; 531; 532; 633 and Extra Session Laws 1971, Chapter 42, are repealed.*

Sec. 50. [EFFECTIVE DATE.] *Subdivision 1. Sections 25 and 48 are effective July 31, 1978.*

Subd. 2. Section 45 is effective the day following final enactment.

Subd. 3. The remainder of this act is effective July 1, 1977.

Subd. 4. On July 1, 1977, a person elected to the office of district court judge, family court division, pursuant to Minnesota Statutes 1976, Section 484.65, Subdivision 1, shall no longer be designated as the district court judge, family court division, but he shall serve as a district court judge for the term of office for which he was elected, and shall be assigned the regular or ordinary duties of a judge of district court."

Further, strike the title and insert:

"A bill for an act relating to courts; providing for the selection of chief judges; permitting the assignment of judges to serve in other judicial districts, prescribing duties of the chief justice; providing for the rotation of the duties of family court in Hennepin county; prescribing duties of the supreme court administrator; providing continuous terms of court; providing for the payment of judges' salaries and expenses; abolishing de novo jurisdiction of district courts when hearing appeals; creating the office of district administrator; prescribing the duties and salary of the district administrator; abolishing the offices of justice of the peace, judicial officers and referees; providing for appellate panels in district

court; appropriating money; amending Minnesota Statutes 1976, Sections 2.722; 2.724; 15A.083, as amended; 43.43, Subdivision 2; 43.47, Subdivisions 6; 271.01, Subdivision 1; 480.15, by adding subdivisions; 480.17; 480.18; 484.08; 484.54; 484.62; 484.63; 484.65, Subdivisions 1 and 6; 484.66; 485.01; 485.018; 487.01, Subdivisions 1, 3, 5, as amended, and 6; 487.02, Subdivision 1, as amended; 487.08; 487.25, Subdivision 6; 487.35, Subdivision 1; 487.39; 488A.01, Subdivision 10, and by adding a subdivision; 488A.021, Subdivision 8, as amended; 488A.10, Subdivisions 1 and 6; 488A.111; 488A.12, Subdivision 5; 488A.18, Subdivision 11, and by adding a subdivision; 488A.19, Subdivision 10, as amended; 488A.27, Subdivisions 1 and 6; 488A.281; 488A.29, Subdivision 5; 524.04; and 525.081, Subdivision 7; Chapters 480, by adding a section; 484, by adding a section; repealing Minnesota Statutes 1976, Sections 15A.083, Subdivision 2; 484.05; 484.09; 484.10; 484.11; 484.12; 484.13; 484.14; 484.15; 484.16; 484.17; 484.18; 484.28; 484.29; 484.47; 485.02; 487.03, Subdivision 4; 487.05; 487.10, Subdivision 6; 487.35, Subdivisions 2, 3, 4, 5 and 6; 487.39, Subdivision 3; 487.41; 488.01, Subdivision 11; 488.021, Subdivisions 7 and 8; 488A.18, Subdivision 12; 488A.19, Subdivisions 8, 9 and 10; 490.124, Subdivision 7; 525.081, Subdivisions 1, 2, 3, 4, 5, 6, 8 and 9; and Chapters 488; 530; 531; 532; 633; and Extra Session Laws 1971, Chapter 42."

We request adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Robert J. Tennesen, Neil Dieterich, Jack Davies

House Conferees: (Signed) Gordon O. Voss, Harry Sieben, Jr., David J. Beauchamp

Mr. Tennesen moved that the foregoing recommendations and Conference Committee Report on S. F. No. 311 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. 311: A bill for an act relating to courts; providing for the selection of chief judges; permitting the assignment of judges to serve in other judicial districts; prescribing duties of the chief justice; providing for the rotation of the duties of family court in Hennepin county; providing for the rotation of the duties of juvenile court in Hennepin and Ramsey counties; prescribing duties of the supreme court administrator; providing continuous terms of court; providing for the payment of judges' salaries and expenses; abolishing de novo jurisdiction of district courts when hearing appeals; creating the office of district administrator; abolishing the office of justice of the peace; providing for appellate panels in district court; providing for the compensation of certain judges upon compliance with certain provisions of the law; amending Minnesota Statutes 1976, Sections 2.724; 260.021, Subdivisions 2 and 3; 480.15, by adding subdivisions; 480.17; 480.18; 484.08; 484.34; 484.54; 484.62; 484.63; 484.65, Subdivisions 1 and 6; 484.66; 485.01; 485.018, by adding a subdivision; 487.01, Subdivisions 1, 3, 5 and 6; 487.02, Subdivision 1;

487.08; 487.25, Subdivision 6; 487.35, Subdivision 1; 487.39; 488.20; 488A.01, Subdivision 10 and by adding a subdivision; 488A.021, Subdivision 8; 488A.10, Subdivisions 1 and 6; 488A.111; 488A.12, Subdivision 5; 488A.18, Subdivision 11 and by adding a subdivision; 488A.19, Subdivision 10; 488A.27, Subdivisions 1 and 6; 488A.281; 488A.29, Subdivision 5; and 525.081, Subdivision 7; Chapters 480, by adding a section; 484, by adding a section; 487, by adding a section; and Laws 1977, Chapter 35, Section 18; repealing Minnesota Statutes 1976, Sections 484.05; 484.09; 484.10; 484.11; 484.12; 484.13; 484.14; 484.15; 484.16; 484.17; 484.18; 484.28; 484.29; 484.47; 485.02; 487.03, Subdivision 4; 487.10, Subdivision 6; 487.35, Subdivisions 2, 3, 4, 5 and 6; 487.39, Subdivision 3; 487.41; 488A.01, Subdivision 11; 488A.021, Subdivision 7; 488A.18, Subdivision 12; 488A.19, Subdivisions 8 and 9; 490.124, Subdivision 7; and Chapters 530; 531; 532; and 633.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 51 and nays 6, as follows:

Those who voted in the affirmative were:

Anderson	Dunn	Kleinbaum	Olson	Staples
Ashbach	Engler	Knoll	Perpich	Stokowski
Bang	Frederick	Knutson	Peterson	Stumpf
Benedict	Gearty	Laufenburger	Pillsbury	Tennessee
Bernhagen	Gunderson	Luther	Renneke	Ulland, J.
Borden	Hanson	Menning	Schmitz	Vega
Brataas	Hughes	Merriam	Schrom	Wegener
Chmielewski	Humphrey	Moe	Sikorski	
Coleman	Johnson	Nelson	Sillers	
Davies	Keefe, J.	Ogdahl	Solon	
Dieterich	Keefe, S.	Olhoft	Spear	

Those who voted in the negative were:

Lessard	Penny	Purfeerst	Strand	Willet
Nichols				

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

MOTIONS AND RESOLUTIONS—CONTINUED

S. F. No. 411 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S. F. NO. 411

A bill for an act relating to peace officers; providing for training and licensing of all peace officers in the state; renaming the peace officer training board; giving the board additional responsibilities; amending Minnesota Statutes 1976, Sections 214.01, Subdivision 3; 626.841; 626.842; 626.843, Subdivision 1; 626.845; 626.846, Subdivision 1 and by adding subdivisions; 626.848; 626.

85, Subdivision 1; 626.851, Subdivision 2; 626.854; Chapter 626, by adding a section; repealing Minnesota Statutes 1976, Sections 626.843, Subdivision 4; 626.844; 626.846, Subdivision 2; 626.847; and 626.853.

May 23, 1977

The Honorable Edward J. Gearty
President of the Senate

The Honorable Martin O. Sabo
Speaker of the House of Representatives

We, the undersigned conferees for S. F. No. 411 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate accede to the House amendment and that S. F. No. 411, the House unofficial engrossment, be further amended as follows:

Page 2, line 10, after "following" insert "*11 members*"

Page 3, line 6, delete "; and" and insert a period

Page 3, line 7, delete "(f)", delete ", to" and insert "*shall*"

Page 4, line 15, after "*complaints;*" insert "*the setting of fees;*"

Page 5, line 9, after "recruitment" insert "*and licensing*"

Page 5, line 10, strike "nonelective"

Page 8, line 20, strike "certify" and insert "*license*"

Page 8, line 21, after "completed" insert "*certified*"

Page 9, after line 14, insert

"Sec. 8. Minnesota Statutes 1976, Section 626.846, is amended to read:

626.846 [ATTENDANCE, FORFEITURE OF POSITION.]
Subdivision 1. Notwithstanding any general or local law or charter to the contrary, any peace officer employed or elected on or after July 1, 1967 1978, by any state, county, municipality or joint or contractual combination thereof of the state of Minnesota with a population of more than 1,000 according to the last federal census shall attend a peace officers training course within 12 months of his appointment not be eligible for permanent appointment without being licensed by the board pursuant to rules promulgated under section 626.843, except as provided in section 626.853.

Subd. 2. Every peace officer who shall be appointed by any state, county, municipality or joint or contractual combination thereof of the state of Minnesota with a population of more than 1,000 according to the last federal census, on a temporary basis or for a probationary term, shall forfeit his position unless he has satisfactorily completed, within the time prescribed by the rules and regulations promulgated been licensed by the board pursuant to sections 626.841 to 626.854, an approved peace officer training

~~program~~ 626.853, except as provided in section 626.853. Any other peace officer employed or elected by any state, county, municipality or joint or contractual combination thereof, may attend peace officer training courses and be licensed by the board subject to the rules and regulations promulgated pursuant to sections 626.841 to ~~626.854~~ section 626.843.

Subd. 3. A peace officer who has received a permanent appointment prior to July 1, 1978, shall be licensed by the board if the officer has met the requirements of sections 626.841 to 626.853 in effect on June 30, 1977 and if the officer has requested licensing by the board. An elected or appointed town constable who takes office on or after July 1, 1978, if his duties are substantially similar to those of a peace officer as determined by the board, shall be licensed by the board in respect to his term of office as if he has met the licensing requirements of the board."

Page 12, after line 1, insert

"Sec. 14. Minnesota Statutes 1976, Section 214.01, Subdivision 3, is amended to read:

Subd. 3. "Non-health related licensing board" means the board of teaching established pursuant to section 125.183, the board of barber examiners established pursuant to section 154.22, the board of cosmetology examiners established pursuant to section 155.04, the board of assessors established pursuant to section 270.41, the board of architecture, engineering and land surveying established pursuant to section 326.04, the board of accountancy established pursuant to section 326.17, the board of electricity established pursuant to section 326.241, the private detective and protective agent licensing board established pursuant to section 326.541, the board of boxing established pursuant to section 326.33, the board of examiners in watchmaking established pursuant to section 326.541, the board of boxing established pursuant to section 341.02, and the board of abstractors established pursuant to section 386.63, and the peace officer standards and training board established pursuant to section 626.841."

Page 12, line 9, delete "\$10,000" and insert "\$90,000"

Renumber the sections in sequence

Further, amend the title in line 6 after "Sections" by inserting "214.01, Subdivision 3;" and in line 8, after "626.845;" by inserting "626.846;"

We request the adoption of this report and repassage of the bill.

Senate Conferees: (Signed) Bill McCutcheon, Gerry Sikorski, Robert G. Dunn

House Conferees: (Signed) Harry Sieben, Jr., Neil S. Haugerud, Donald M. Moe

Mr. Sikorski, for Mr. McCutcheon, moved that the foregoing recommendations and Conference Committee Report on S. F. No. 411 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. 411: A bill for an act relating to peace officers; providing for training and licensing of all peace officers in the state; renaming the peace officer training board; giving the board additional responsibilities; amending Minnesota Statutes 1976, Sections 214.01, Subdivision 3; 626.841; 626.842; 626.843, Subdivision 1; 626.845; 626.846, Subdivision 1 and by adding subdivisions; 626.848; 626.85, Subdivision 1; 626.851, Subdivision 2; 626.854; Chapter 626, by adding a section; repealing Minnesota Statutes 1976, Sections 626.843, Subdivision 4; 626.844; 626.846, Subdivision 2; 626.847; and 626.853.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 49 and nays 3, as follows:

Those who voted in the affirmative were:

Anderson	Engler	Lessard	Olson	Spear
Ashbach	Gearty	Lewis	Penny	Staples
Bang	Gunderson	Luther	Perpich	Stokowski
Benedict	Hanson	Menning	Pillsbury	Strand
Bernhagen	Humphrey	Merriam	Purfeerst	Stumpf
Borden	Johnson	Moe	Schmitz	Ulland, J.
Coleman	Keefe, S.	Nelson	Setzepfandt	Vega
Davies	Kleinbaum	Nichols	Sikorski	Wegener
Dieterich	Knoll	Ogdahl	Sillers	Willet
Dunn	Laufenburger	Olhoff	Solon	

Messrs. Chmielewski, Renneke and Schrom voted in the negative.

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Messages from the House.

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. 522 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 522: A bill for an act relating to energy; extending the application of the state building code to all cities and counties; clarifying state agency rulemaking regarding the building code subject matter; extending and clarifying the expiration of the Minnesota energy agency; requiring promulgation of certain energy conservation standards; revising certain requirements; requiring certain efficiencies for air conditioners; prohibiting

certain open flame pilot lights; appropriating money; amending Minnesota Statutes 1976, Sections 16.84; 16.851; 16.86, Subdivision 4; 16.861, Subdivision 4; 116H.02, Subdivision 5; 116H.07, Subdivision 1, and by adding a subdivision; 116H.12, Subdivisions 5 and 10, and by adding subdivisions; 116H.121; 116H.124; 116H.126; 116H.13, Subdivision 4; 126.111; and Chapter 116H, by adding sections; repealing Laws 1974, Chapter 307, Section 19.

House File No. 522 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 23, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 522

A bill for an act relating to energy; extending the application of the state building code to all cities and counties; clarifying state agency rulemaking regarding the building code subject matter; extending and clarifying the expiration of the Minnesota energy agency; requiring promulgation of certain energy conservation standards; revising certain requirements; requiring certain efficiencies for air conditioners; prohibiting certain open flame pilot lights; appropriating money; amending Minnesota Statutes 1976, Sections 16.84; 16.851; 16.86, Subdivision 4; 16.861, Subdivision 4; 116H.02, Subdivision 5; 116H.07, Subdivision 1, and by adding a subdivision; 116H.12, Subdivisions 5 and 10, and by adding subdivisions; 116H.121; 116H.124; 116H.126; 116H.13, Subdivision 4; 126.111; and Chapter 116H, by adding sections; repealing Laws 1974, Chapter 307, Section 19.

May 21, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 522, 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. 522 be amended as follows:

Strike everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, 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. 2a. "City" means a home rule charter or statutory city.

Subd. 3. "Municipality" means any city, county, 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 or town meeting the requirements of Minnesota Statutes, Section 368.01, Subdivision 1, or the University of Minnesota.

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. "Agricultural building" means a structure on agricultural land as defined in section 273.13, subdivision 6, designed, constructed and used to house farm implements, livestock or agricultural produce or products used by the owner, lessee and sublessee of the building and members of their immediate families, their employees, and persons engaged in the pickup or delivery of agricultural produce or products.

Sec. 2. Minnesota Statutes 1976, Section 16.851, is amended to read:

16.851 [STATE BUILDING CODE; 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 rulemaking 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, 326.244 and 116H.12, subdivision 4. Effective July 1, 1977, or as soon thereafter as possible, but in no event later than July 1, 1978, 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, or determines by ordinance thereafter to undertake enforcement, it shall be charged with enforcement of the code within the city. A city may by ordinance extend the enforcement of the code to contiguous unincorporated territory not more than two miles distant from its corporate limits in any direction; provided that where two or more non-contiguous cities which have elected to enforce the code have boundaries less than four miles apart, each is authorized to enforce the code on its side of a line equidistant between them. Once enforcement authority is extended extraterritorially by ordinance, the authority may continue to be exercised in the designated ter-*

ritory even though another city less than four miles distant later elects to enforce the code. Any city may thereafter enforce the code in the designated area to the same extent as if such property were situated within its corporate limits. A city which, on the effective date of this act, has not adopted the code may not commence enforcement of the code within or outside of its jurisdiction until it has provided written notice to the commissioner, the county auditor, and the town clerk of each town in which it intends to enforce the code. A public hearing on the proposed enforcement must be held not less than 30 days after the notice has been provided. Enforcement of the code by the city will commence on the first day of January in the year following the notice and hearing. Municipalities may provide for the issuance of permits, inspection and enforcement within their jurisdictions by such means as may be convenient, and lawful, including by means of contracts with other municipalities pursuant to section 471.59, and with qualified individuals. In areas outside of the enforcement authority of a city, the fee charged for the issuance of permits and inspections for single family dwellings may not exceed the greater of \$100 or .005 times the value of the structure, addition or alteration. The other municipalities or qualified individuals may be reimbursed by retention or remission of some or all of the building permit fee collected or by other means. In areas of the state where inspection and enforcement is unavailable from qualified employees of municipalities, it shall be the responsibility of the commissioner to train and designate individuals available to carry out inspection and enforcement on a fee basis.

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. In municipalities not properly administering and enforcing the state building code, and municipalities who determine not to administer and enforce the state building code, the commissioner shall cause administration and enforcement in the involved municipality to be undertaken by the state building inspector or other inspector certified by the state. The commissioner shall determine appropriate fees to be charged for the administration and enforcement service rendered. Any cost to the state arising from the state administration and enforcement of the state building code shall be borne by the subject municipality.

Sec. 3. Minnesota Statutes 1976, 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 1976, Section 16.861, Subdivision 4, is amended to read:

Subd. 4. [DUTIES.] Building officials shall, in the municipality for which they are appointed, attend to all aspects of code administration, including the issuance of all building permits *and the inspection of all mobile home installations*. The commissioner may direct a municipality having a building official to perform services for another municipality, and in such event the municipality being served shall pay the municipality rendering such services the reasonable costs thereof. Such costs may be subject to approval by the commissioner.

Sec. 5. Minnesota Statutes 1976, 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 1/2 mill (.0005) of such fee or 50 cents, whichever amount is greater. For all other permits, the surcharge shall be equivalent to 1/2 mill (.0005) of the valuation of the structure, addition or alteration. 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.

By September 1 of each odd numbered year beginning in 1979, the commissioner shall rebate to municipalities any money received pursuant to this section and section 2 in the previous biennium in excess of the cost to the building code division in that biennium of carrying out their duties under sections 16.83 to 16.867. The rebate to each municipality shall be in proportion to the amount of the surcharges collected by that municipality and remitted to the state.

Sec. 6. [TEMPORARY PROVISION.] *No later than November 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. Minnesota Statutes 1976, Chapter 116H, is amended by adding a section to read:

[116H.001] [EXPIRATION.] Sections 116H.03 to 116H.06 shall expire on June 30, 1983, unless renewed by the legislature. In the event that sections 116H.03 to 116H.06 are allowed to expire, the governor is hereby empowered to transfer the duties and responsibilities under chapter 116H to whatever agency or department or combination thereof which the governor deems appropriate.

Sec. 8. Minnesota Statutes 1976, Section 116H.02, Subdivision 5, is amended to read:

Subd. 5. "Large energy facility" means :

(a) Any electric power generating plant or combination of plants at a single site with a combined capacity of 50,000 kilowatts or more, or any facility of 5,000 kilowatts or more which requires oil, natural gas, or natural gas liquids as a fuel and for which an installation permit has not been applied for by May 19, 1977 pursuant to Minn. Reg. APC 3(a);

(b) Any high voltage transmission line with a capacity of 200 kilovolts or more and having with more than 100 50 miles of its length in Minnesota ; ; or, any high voltage transmission line with a capacity of 300 kilowatts or more with more than 25 miles of its length in Minnesota;

(c) Any facility on a single site designed for or capable of storing more than one million gallons of crude petroleum or petroleum fuels or oil or their derivatives thereof, unless the facility would be at an existing petroleum storage site and would constitute an increase of less than 20 percent in the storage capacity at that site;

(d) Any pipeline greater than six inches in diameter and having more than 50 miles of its length in Minnesota used for the transportation of coal, crude petroleum or petroleum fuels or oil or their derivatives thereof ; ;

(e) Any pipeline for transporting natural or synthetic gas at pressures in excess of 200 pounds per square inch and having with more than 50 miles of its length in Minnesota ; ;

(f) Any facility designed for or capable of storing on a single site more than 100,000 gallons of liquified natural gas or synthetic gas ; ;

(g) Any underground gas storage facility requiring a permit pursuant to section 84.57 ; ;

(h) Any facility designed or capable of serving as a depot for coal transported into this state for use within the state or transshipment from the state and ;

(i) Any petroleum refinery , ;

(j) Any nuclear fuel processing or nuclear waste storage or disposal facility; and

(k) Any facility intended to convert coal any material into any other combustible fuel and having the capacity to process in excess of 25 tons of the material per hour.

Sec. 9. Minnesota Statutes 1976, Section 116H.07, Subdivision 1, is amended to read:

116H.07 [DUTIES.] Subdivision 1. It shall be the duty of The director to shall :

(a) Manage the agency as the central repository within the state government for the collection of data on energy;

(b) Prepare and adopt an emergency allocation plan specifying actions to be taken on the event of an impending serious shortage of energy, or a threat to public health, safety, or welfare;

(c) Undertake a continuing assessment of trends in the consumption of all forms of energy and analyze the social, economic, and environmental consequences of these trends;

(d) Carry out energy conservation measures as specified by the legislature and recommend to the governor and the legislature additional energy policies and conservation measures as required to meet the objectives of sections 116H.01 to 116H.15;

(e) Collect and analyze data relating to present and future demands and resources for all sources of energy, and specify energy needs for the state and various service areas as a basis for planning large energy facilities;

(f) Require certificate of need for construction of large energy facilities;

(g) Evaluate policies governing the establishment of rates and prices for energy as related to energy conservation, and other goals and policies of sections 116H.01 to 116H.15, and make recommendations for changes in energy pricing policies and rate schedules;

(h) Study the impact and relationship of the state energy policies to international, national, and regional energy policies;

(i) Design a state program for the conservation of energy; this program shall include but not be limited to, general commercial, industrial, and residential areas; such program shall also provide for the evaluation of energy systems as they relate to lighting, heating, refrigeration, air conditioning, building design and operation, and appliance manufacturing and operation;

(j) Inform and educate the public about the *sources and uses of energy and the ways in which persons can conserve energy*;

(k) Dispense funds made available for the purpose of research studies and projects of professional and civic orientation, which are related to either energy conservation or the development of alternative energy technologies which conserve nonrenewable energy resources while *creating minimum environmental impact*;

(l) Charge other governmental departments and agencies involved in energy related activities with specific information gathering goals and require that those goals be met.

Sec. 10. *The director, in cooperation with the director of the state planning agency, the executive director of the pollution control agency, and the commissioners of natural resources and transportation, shall carry out a coal impact study and provide the legislature with an interim report and recommendations by January 1, 1978, and a final report by September 1, 1978.*

The study shall specify in five and ten year forecasts, the demand for coal in Minnesota by user type and location, estimate environmental impacts, examine transportation and handling system needs, discuss the potential for the use of coal gasification, and address the significant economic and institutional questions involved in bringing about a major shift in energy use from other fuels to coal.

Sec. 11. Minnesota Statutes 1976, Section 116H.12, is amended by adding subdivisions to read:

Subd. 1a. Beginning July 1, 1978, the use of outdoor display lighting shall be limited as provided in subdivision 1b. For purposes of this section, "outdoor display lighting" shall include building facade lighting, other decorative lighting, and all billboards and advertising signs except those which identify a commercial establishment which is open for business at that hour.

Subd. 1b. The director shall develop proposed rules, pursuant to chapter 15, by October 1, 1977, setting standards covering permissible hours of operation, quantity and efficiency of outdoor display lighting and defining "outdoor display lighting".

Sec. 12. Minnesota Statutes 1976, Section 116H.12, Subdivision 5, is amended to read:

Subd. 5. The director, in conjunction with the commissioner of administration, shall conduct studies of the states and make recommendations concerning the purchase and use by the state and its political subdivisions of supplies, automobiles motor vehicles and equipment having a significant impact on energy use in order to determine the potential for energy conservation. The director may promulgate regulations rules pursuant to chapter 15 to insure that energy use and conservation will be considered in state purchasing and, where appropriate, to require certain minimum energy efficiency standards in purchased products and equipment. No state purchasing of equipment or material use shall occur that is not in conformity with these regulations.

Sec. 13. Minnesota Statutes 1976, Section 116H.12, Subdivision 10, is amended to read:

Subd. 10. The director shall report to the legislature not later than March 1, 1977, on the economic and technological feasibility of implementing a program of energy conservation in Minnesota with respect to room air conditioners and standing pilot light equipment. The study shall include consideration of:

(1) The economic feasibility of the program and the impact on consumers, agriculture, business and interstate commerce;

(2) The technological feasibility of implementing the program including safety considerations;

(3) The potential reduction in energy consumed in Minnesota which would result from implementing the program;

(4) Substantial state need for the program in relation to the progress of similar energy conservation programs undertaken by the federal energy agency under the mandate of the federal energy policy and conservation act of 1975.

For the purposes of this subdivision "economic feasibility" means that the benefits from reduced energy consumption and the savings in operating costs throughout the estimated average life of the product outweigh:

(a) Any increase to purchasers in initial charges for, or, maintenance expenses of, the product which is likely to result from implementing the program;

(b) Any lessening of the utility, safety, dependability or performance of the product; and

(c) Any negative effects on competition.

Beginning January 1, 1978, no new room air conditioner shall be sold or installed or transported for resale into Minnesota unless it has an energy efficiency ratio of 7.0 or higher. For purposes of this subdivision, "energy efficiency ratio" means the ratio of the cooling capacity of the air conditioner in British thermal units per hour to the total electrical input in watts under designated operating conditions. This subdivision shall not apply to air conditioners in Minnesota on October 1, 1977. No person may transport non-complying units into this state in excess of what he can reasonably anticipate selling prior to January 1, 1978.

Sec. 14. Minnesota Statutes 1976, Section 116H.12, is amended by adding a subdivision to read:

Subd. 11. Beginning January 1, 1979, no new residential

(a) forced air type central furnace,

(b) cooking appliance manufactured with an electrical supply cord, or

(c) clothes drying equipment designed to burn natural gas equipped with a continuously burning pilot shall be sold or installed in Minnesota.

Sec. 15. Minnesota Statutes 1976, Section 116H.121, is amended to read:

116H.121 [ENERGY CONSERVATION STANDARDS IN CERTAIN PUBLIC BUILDINGS.] *Subdivision 1.* Before February 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 include standards for all existing buildings heated by oil, coal, gas, or electric units which are owned by the state, the university of Minnesota, any city, any county, or any school district. Compliance with standards adopted pursuant to this section shall not be mandatory for buildings owned by any city, county or school district, *except as otherwise provided by this section.*

Subd. 2. Effective January 1, 1978, the illumination standards promulgated pursuant to subdivision 1, shall be mandatory for all public buildings where economically feasible. For the purposes of this subdivision, "public building" means any building which is open to the public during normal business hours and which exceeds 5,000 square feet in gross floor area. The director shall specify the formula for determining economic feasibility and shall take appropriate measures prior to January 1, 1978 to inform building owners and managers of the requirements of this subdivision and to assist them in complying with it.

Subd. 3. No enclosed structure or portion of an enclosed structure constructed after January 1, 1978 and used primarily as a commercial parking facility for three or more motor vehicles shall be heated. Incidental heating resulting from building exhaust air passing through a parking facility shall not be prohibited, provided that substantially all useful heat has previously been removed from the air.

Sec. 16. Minnesota Statutes 1976, Section 116H.124, is amended to read:

116H.124 [LOCAL GOVERNMENTAL SURVEYS AND FUEL COST ESTIMATES.] Before January 1, 1980, the governing body of each city and county shall complete a survey of all existing city owned or county owned buildings within their respective jurisdictions which buildings are heated by oil, coal, electric, or gas units. Buildings heated by oil or interruptible gas shall be surveyed first. The survey 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 116H.121. The governing body of a city or county may contract with any municipal building official appointed pursuant to section 16.861, or with the state building inspector to perform the energy conservation survey. Each governing body 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 savings would be realized for each building within its jurisdiction

if that building were improved to comply with the energy conservation standards. Each governing body shall file the energy conservation survey and estimated fuel procurement data for *at least half* the buildings within its jurisdiction with the director before December 31, 1978, and *all remaining buildings* by December 31, 1979, for his review and comment.

Sec. 17. Minnesota Statutes 1976, Section 116H.126, is amended to read:

116H.126 [PUBLIC SCHOOL SURVEYS.] Before January 1, 1980, each school district shall complete a survey of all existing public school buildings which it owns or operates and which are heated by oil, gas, coal, or electric 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 116H.121. Buildings heated by oil or interruptable gas shall be surveyed first. The results of the energy conservation survey shall be recorded on a form furnished by the director. A school district may contract with any municipal building official appointed pursuant to section 16.861 or with the state building inspector to perform the energy conservation survey. Each school district shall estimate, based upon a formula specified by the director, the annual savings in fuel procurement costs for existing heating and cooling systems, which savings would be realized for each public school building within the district if it were improved to comply with the energy conservation standards.

Each school district shall file the energy conservation survey and estimated fuel procurement data for *each at least half* the public school building *buildings* within the district with the director before December 31, 1978, and *all remaining buildings* by December 31, 1979, for his review and comment.

Sec. 18. Minnesota Statutes 1976, Chapter 116H, is amended by adding a section to read:

[116H.129] [ENERGY CONSERVATION IN RESIDENTIAL BUILDINGS.] *Subdivision 1. Before January 1, 1978, the commissioner of administration, in consultation with the director and the appropriate standing committees of the legislature, shall promulgate minimum energy efficiency standards for existing residential buildings. The standards shall be economically feasible in that the resultant savings in energy procurement costs, based on current average residential energy costs in Minnesota as certified by the director, will exceed the cost of the energy conserving requirements amortized over a period of five years.*

By February 15, 1978, the director shall make recommendations to the legislature on methods to obtain compliance with the standards set forth in this subdivision.

Subd. 2. Before January 1, 1978, the commissioner of administration, in consultation with the director, shall by rule amend the standards concerning heat loss, illumination, and climate control promulgated pursuant to section 116H.12, subdivision 4, to

require that electrical service to individual dwelling units in buildings containing two or more units be separately metered, with individual metering readily accessible to the individual occupants. The standards authorized by this subdivision shall only apply to buildings constructed after the effective date of the amended standards. Buildings intended for occupancy primarily by persons who are 62 years of age or older or handicapped, or which contain a majority of units not equipped with complete kitchen facilities, shall be exempt from the provisions of this subdivision.

Sec. 19. Minnesota Statutes 1976, Section 116H.13, Subdivision 4, is amended to read:

Subd. 4. After promulgation of the criteria for assessment of need, any ~~utility, coal supplier or petroleum supplier~~ person proposing to construct a large energy facility shall apply for a certificate of need to construct a new large energy prior to construction of the facility. The application shall be on forms and in a manner established by the director. In reviewing each application the director shall hold at least one public hearing pursuant to chapter 15.

Sec. 20. Minnesota Statutes 1976, Section 126.111, is amended to read:

126.111 [ENVIRONMENTAL CONSERVATION EDUCATION.] *Subdivision 1.* The state department of education with the cooperation of the department of natural resources shall prepare an interdisciplinary program of instruction for elementary and secondary schools in the field of environmental conservation education. The program shall provide integrated approaches to environmental management consistent with socio-ecological principles, the production of appropriate curriculum materials and implementation in the public schools in the state.

Subd. 2. The commissioner of education in consultation with the director of the energy agency shall prepare an interdisciplinary program in the field of energy sources, uses, conservation, and management. The first phase shall be an assessment of available curriculum materials, the amount and type of energy curriculum already being taught, and what needs to be developed to provide an integrated approach to energy education consistent with socio-economic and ecological principles. Subsequent phases shall include development of curriculum guidelines and materials and a plan for their implementation as funds become available.

Sec. 21. [HEATING FUEL INVENTORY STUDY.] *In order to avoid potential heating fuel shortages, the Minnesota energy agency is directed to conduct a study of the heating fuel storage capacity of the state. The energy agency shall report its findings and recommendations to the legislature by November 15, 1977. The report shall include:*

(a) *an estimate of cumulative capacity of all heating fuel storage facilities in the state;*

(b) *a determination of normal fill levels for storage facilities; and*

(c) an estimate of whether or not the state's storage capacity is adequate.

Based upon the survey's findings, the energy agency's recommendations in the report shall include:

(a) measures the state can take to ensure that storage capacity is filled prior to the beginning of the heating season; and

(b) measures the state can take to initiate construction and/or utilization of additional storage facilities if increased storage is found to be necessary.

Sec. 22. The director of the energy agency in consultation with the director of the housing finance agency shall develop pamphlets and radio and television messages on the energy conservation and housing programs available in Minnesota. The pamphlets shall include information on available tax credits for residential energy conservation measures, residential retrofitting loan and grant programs, and data on the economics of energy conservation measures. Before the pamphlets or media messages are released for general distribution they shall be reviewed by the appropriate standing committees of the legislature.

Sec. 23. By December 31, 1977, the director of the energy agency, after consulting with the appropriate standing committees of the legislature, shall develop a comprehensive legislative proposal dealing with the legal, institutional, and financial issues surrounding solar energy use in Minnesota, including the creation and protection of sun rights, the modification of building codes, and the provision of reliable backup heating systems.

Sec. 24. The energy agency shall contract with the university of Minnesota, the departments of agricultural engineering, and agricultural and applied economics to carry out a research and demonstration project to study the feasibility of developing an agriculturally derived ethyl alcohol supplement to be blended with diesel fuel so as to produce a liquid fit for use as a fuel in diesel engines used for agricultural purposes. In carrying out the project, the departments shall utilize to the fullest extent possible, studies, data and reports of public agencies, private organizations and corporations, research institutes and other institutions of higher education. Before the project begins it shall be presented to the energy agency for review and comment.

An interim report shall be provided by September 1, 1978, to the energy agency and the Minnesota department of agriculture for review and comment. The university shall then provide the energy agency with a final report and recommendations which shall be provided to the legislature by January 1, 1979.

The project report shall include, but is not limited to, results from field studies of demonstration projects, and a review of the technical feasibility, possible energy impacts, biomass options, economic feasibility, agricultural sources and policy recommendations. A review of the relevant literature and a glossary shall also be included.

Sec. 25. [APPROPRIATIONS.] Subdivision 1. The sum of \$50,000 is appropriated from the general fund to the commissioner of administration for the purposes of sections 1 to 6 and 18 during the biennium beginning July 1, 1977.

Subd. 2. \$200,000 shall be appropriated from the general fund to the Minnesota energy agency which shall be designated as the lead agency for the purposes of section 10 for the biennium beginning July 1, 1977. The state planning agency, the pollution control agency, the department of natural resources, and the department of transportation shall be participating agencies. The approved complement of the agencies shall be increased as follows:

Energy agency	3 unclassified positions
State planning agency	1 unclassified position
Pollution control agency	1 unclassified position
Department of natural resources	1 unclassified position
Department of transportation	1 unclassified position

Subd. 3. The sum of \$25,000 is appropriated from the general fund to the department of education for the purposes of section 20 during the biennium beginning July 1, 1977.

Subd. 4. The sum of \$25,000 is appropriated from the general fund to the director of the energy agency for the purpose of section 23 during the fiscal year beginning July 1, 1977. The approved complement of the energy agency shall be increased by one unclassified position until December 31, 1977.

Subd. 5. The sum of \$75,000 is appropriated from the general fund to the director of the energy agency to be used for the purpose of section 22 during the biennium beginning July 1, 1977.

Subd. 6. The sum of \$18,000 is appropriated from the general fund to the director of the energy agency for the purpose of studying and reporting to the legislature by January 15, 1978, on state impacts of increased insulation activity including the need for insulation product and application standards, the need for state assistance in insuring adequate insulation supplies, and such other issues as the study may identify. The approved complement of the energy agency shall be increased by one unclassified position until January 15, 1978.

Subd. 7. The sum of \$50,000 is appropriated from the general fund to the energy agency for the purpose of section 24. This appropriation shall not lapse but shall be available for expenditure until January 1, 1979.

Subd. 8. The sum of \$15,000 is appropriated from the general fund to the energy agency for the purposes of section 11 during the biennium beginning July 1, 1977.

Sec. 26. Minnesota Statutes 1976, Sections 325.811, 325.812 and Laws 1974, Chapter 307, Section 19, are repealed.

Sec. 27. This act is effective the day following its final enactment, except that section 2, subdivision 2, is effective July 1, 1978."

Further, amend the title as follows:

Page 1, line 8, after the semicolon insert "requiring certain energy studies, programs and proposals;"

Page 1, line 14, after the first semicolon insert "16.866, Subdivision 1;"

Page 1, line 15, delete ", and by adding a subdivision"

Page 1, line 19, after "repealing" insert "Minnesota Statutes 1976, Sections 325.811; 325.812; and"

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Willard Munger, David Beauchamp and William Dean.

Senate Conferees: (Signed) Jerald Anderson, John Bernhagen and Emily Anne Staples.

Mr. Anderson moved that the foregoing recommendations and Conference Committee Report on H. F. No. 522 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. 522: A bill for an act relating to energy; extending the application of the state building code to all cities and counties; clarifying state agency rulemaking regarding the building code subject matter; extending and clarifying the expiration of the Minnesota energy agency; requiring promulgation of certain energy conservation standards; requiring certain energy studies, programs and proposals; revising certain requirements; requiring certain efficiencies for air conditioners; prohibiting certain open flame pilot lights; appropriating money; amending Minnesota Statutes 1976, Sections 16.84; 16.851; 16.86, Subdivision 4; 16.861, Subdivision 4; 16.866, Subdivision 1; 116H.02, Subdivision 5; 116H.07, Subdivision 1; 116H.12, Subdivisions 5 and 10, and by adding subdivisions; 116H.121; 116H.124; 116H.126; 116H.13, Subdivision 4; 126.111; and Chapter 116H, by adding sections; repealing Minnesota Statutes 1976, Sections 325.811; 325.812; and Minnesota Laws 1974, Chapter 307, Section 19.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 44 and nays 12, as follows:

Those who voted in the affirmative were:

Anderson	Brataas	Engler	Hughes	Kleinbaum
Bang	Coleman	Frederick	Humphrey	Knoll
Benedict	Davies	Gearty	Johnson	Knutson
Bernhagen	Dieterich	Gunderson	Keefe, J.	Laufenburger
Borden	Dunn	Hanson	Keefe, S.	Lewis

Luther	Ogdahl	Schmitz	Staples	Tennessee
Merriam	Perpich	Sikorski	Stokowski	Ulland, J.
Moe	Pillsbury	Sillers	Strand	Vega
Nelson	Purfeerst	Spear	Stumpf	

Those who voted in the negative were:

Chmielewski	Nichols	Penny	Renneke	Wegener
Lessard	Olhoft	Peterson	Setzepfandt	Willet
Menning	Olson			

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 recommendation and report of the Conference Committee on House File No. 415 and repassed said bill in accordance with the report of the Committee, so adopted.

H. F. No. 415: A bill for an act relating to collection and dissemination of data; clarifying information practices; defining terms; prescribing remedies; prescribing penalties; appropriating money; amending Minnesota Statutes 1976, Sections 15.1642; 15.165; Chapters 15, by adding sections; and 138, by adding a section; repealing Minnesota Statutes 1976, Sections 15.162; 15.163; 15.1641; 15.166; 15.167; 15.1671; 15.169; 15.17; 15.171; 15.172; 15.173; 15.174; 138.161; 138.162; 138.163; 138.17; 138.18; 138.19; 138.20; 138.21; and 138.22.

House File No. 415 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 23, 1977

CONFERENCE COMMITTEE REPORT ON H. F. NO. 415

A bill for an act relating to collection and dissemination of data; clarifying information practices; defining terms; prescribing remedies; prescribing penalties; appropriating money; amending Minnesota Statutes 1976, Sections 15.1642; 15.165; Chapters 15, by adding sections; and 138, by adding a section; repealing Minnesota Statutes 1976, Sections 15.162; 15.163; 15.1641; 15.166; 15.167; 15.1671; 15.169; 15.17; 15.171; 15.172; 15.173; 15.174; 138.161; 138.162; 138.163; 138.17; 138.18; 138.19; 138.20; 138.21; and 138.22.

May 21, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

We, the undersigned conferees for H. F. No. 415 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. 415 be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1976, Section 15.162, Subdivision 2a, is amended to read:

Subd. 2a. "Confidential data on individuals" means data which is: (a) made not public by statute or federal law applicable to the data and is inaccessible to the individual subject of that data; or (b) collected by a civil or criminal investigative agency as part of an active investigation undertaken for the purpose of the commencement of a legal action, provided that the burden of proof as to whether such investigation is active or in anticipation of a legal action is upon the agency. Confidential data on individuals does not include arrest information that is reasonably contemporaneous with an arrest or incarceration. The provision of clause (b) shall terminate and cease to have force and effect with regard to the state agencies, political subdivisions, statewide systems, covered by the ruling, upon the granting or refusal to grant an emergency classification pursuant to section 15.1642 of both criminal and civil investigative data, or on June 30, 1977 July 31, 1978, whichever occurs first.

Sec. 2. Minnesota Statutes 1976, Section 15.162, Subdivision 3, is amended to read:

Subd. 3. "Data on individuals" includes all records, files and processes which contain any data in which an individual is or can be identified and which is kept *are retained* or intended to be kept *retained* on a permanent or temporary basis. It includes ~~that data~~ collected, stored, and or disseminated by manual, mechanical, electronic or any other means. Data on individuals ~~includes data~~ *are* classified as public, private or confidential.

Sec. 3. Minnesota Statutes 1976, Section 15.162, Subdivision 4, is amended to read:

Subd. 4. "Individual" means a natural person. In the case of a minor individual under the age of 18, "individual" shall mean *includes* a parent or guardian acting in a representative capacity, except where such minor individual indicates otherwise or an individual acting as a parent or guardian in the absence of a parent or guardian, except that the responsible authority shall withhold data from parents or guardians, or individuals acting as parents or guardians in the absence of parents or guardians, upon request by the minor if the responsible authority determines that withholding the data would be in the best interest of the minor.

Sec. 4. Minnesota Statutes 1976, Section 15.162, Subdivision 5, is amended to read:

Subd. 5. "Political subdivision" includes counties, municipalities means any county, statutory or home rule charter city, school

districts district, special district and any boards, commissions, districts or authorities board, commission, district or authority created pursuant to law, local ordinance or charter provision. It includes any nonprofit corporation which is a community action agency organized pursuant to the economic opportunity act of 1964 (P.L. 88-452) as amended, 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. 5. Minnesota Statutes 1976, Section 15.162, Subdivision 6, is amended to read:

Subd. 6. "Responsible authority" at the in a state level agency or statewide system means any office established the state official designated by law or by the commissioner as the body individual responsible for the collection and, use and dissemination of any set of data on individuals or summary data. "Responsible authority" in any political subdivision means the person individual designated by the governing board body of that political subdivision as the individual responsible for the collection, use, and dissemination of any set of data on individuals or summary data, unless otherwise provided by state law. With respect to statewide systems, "responsible authority" means the state official involved, or if more than one state official, the official designated by the commissioner.

Sec. 6. Minnesota Statutes 1976, Section 15.1642, is amended 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 on individuals as private or confidential, for its own use and for the use of other similar agencies, political subdivisions or statewide systems on an emergency basis until a proposed statute can be acted upon by the legislature. The application for emergency classification is public data.

Upon the filing of an application for emergency classification, the data which is the subject of the application shall be deemed to be classified as set forth in the application for a period of 30 days, or until the application is disapproved or granted by the commissioner, whichever is earlier.

Subd. 2. [CONTENTS OF APPLICATION.] An application for emergency classification shall include and the applicant shall have the burden of clearly establishing 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 as private or confidential;

(b) That the data similar to that for which the emergency classification is sought 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, if any, and by the public; and

(c) That a compelling need exists for immediate emergency classification, which if not granted could adversely affect the public interest or the health, safety, well being or reputation of the data subject.

Subd. 3. The commissioner shall either grant or disapprove the application for emergency classification within 30 days after it is filed. If the commissioner disapproves the application, he shall set forth in detail his reasons for the disapproval, and shall include a statement of what classification he believes is appropriate for the data which is the subject of the application. Ten days after the date of the commissioner's disapproval of an application, the data which is the subject of the application shall become public data on individuals, unless the responsible authority submits an amended application for emergency classification which requests the classification deemed appropriate by the commissioner in his statement of disapproval or which sets forth additional information relating to the original proposed classification. Upon the filing of an amended application, the data which is the subject of the amended application shall be deemed to be classified as set forth in the amended application for a period of 15 days or until the amended application is granted or disapproved by the commissioner, whichever is earlier. The commissioner shall either grant or disapprove the amended application within 15 days after it is filed. Five working days after the date of the commissioner's disapproval of the amended application, the data which is the subject of the application shall become public data on individuals. No more than one amended application may be submitted for any single file or system which contains data on individuals.

If the commissioner grants the an application for emergency classification, it shall be submitted with become effective immediately, and the complete record relating to the application shall be submitted to the attorney general, who shall review the classification as to form and legality. The attorney general shall, Within 20 days, either the attorney general shall approve the classification, disapprove a classification as confidential but approve a classification as private, or disapprove the classification. If the attorney general disapproves a classification, the data which is the subject of the classification shall become public data five working days after the date of the attorney general's disapproval.

Subd. 4. All applications for emergency classification which are pending on the effective date of this section shall be deemed to have been filed on the effective date of this section.

Subd. 3 5 . [EXPIRATION OF EMERGENCY CLASSIFICATION.] All emergency classifications granted under this section and still in effect shall expire on June 30, 1977 July 31, 1978 . No

emergency classifications shall be granted after June 30, 1977 July 31, 1978 .

Sec. 7. Minnesota Statutes 1976, Section 15.165, is amended to read:

15.165 [RIGHTS OF SUBJECTS OF DATA.] *Subdivision 1.* The rights of individuals on whom the data is stored or to be stored shall be as follows: *set forth in this section.*

(a) *Subd. 2.* An individual asked to supply private or confidential data concerning himself shall be informed of: (1) both (a) the purpose and intended use of the requested data ; (2) *within the collecting state agency, political subdivision or statewide system;* (b) whether he may refuse or is legally required to supply the requested data ; and (3) ; (c) any known consequence arising from his supplying or refusing to supply private or confidential data ; and (d) *the identity of other persons or entities authorized by state or federal law to receive the data .*

(b) *Subd. 3.* Upon request to a responsible authority, an individual shall be informed whether he is the subject of stored data on individuals, and whether it be is classified as public, private or confidential. Upon his further request, an individual who is the subject of stored public or private data on individuals shall be shown the data without any charge to him and, if he desires, shall be informed of the content and meaning of that data. After an individual has been shown the private data and informed of its meaning, the data need not be disclosed to him for six months thereafter unless a dispute or action pursuant to this section is pending or additional data on the individual has been collected. The responsible authority shall provide copies of the private data upon request by the individual subject of the data , provided that . The cost of providing copies is shall be borne by the requesting individual.

The responsible authority shall comply immediately, if possible, with any request made pursuant to this subdivision, or within five days of the date of the request, excluding Saturdays, Sundays and legal holidays, if immediate compliance is not possible. If he cannot comply with the request within that time, he shall so inform the individual, and may have an additional five days within which to comply with the request, excluding Saturdays, Sundays and legal holidays.

(c) *Subd. 4.* An individual may contest the accuracy or completeness of public or private data concerning himself. To exercise this right, an individual shall notify in writing the responsible authority describing the nature of the disagreement. The responsible authority shall within 30 days either: (a) correct the data if the data is found to be inaccurate or incomplete and attempt to notify past recipients of inaccurate or incomplete data, including recipients named by the individuals; or (b) notify the individual of disagreement that he believes the data to be correct . Data in dispute shall not be disclosed except under conditions of demonstrated need and then only if the individual's statement of disagreement is included with the disclosed data.

The determination of the responsible authority is appealable in accordance with *may be appealed pursuant to* the provisions of the administrative procedure act relating to contested cases.

Sec. 8. *This act is effective the day following final enactment.*"

Further, delete the title and insert:

"A bill for an act relating to privacy of data on individuals; definitions; emergency classifications by commissioner; rights of individuals; amending Minnesota Statutes 1976, Sections 15.162, Subdivisions 2a, 3, 4, 5, and 6; 15.1642; and 15.165."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Shirley A. Hokanson, David J. Beauchamp, Linda L. Berglin, Harry Sieben, Jr., William D. Dean

Senate Conferees: (Signed) Robert J. Tennessen, Tom A. Nelson, John B. Keefe, Gene Merriam, Jack Davies

Mr. Tennessen moved that the foregoing recommendations and Conference Committee Report on H. F. No. 415 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. 415: A bill for an act relating to privacy of data on individuals; definitions; emergency classifications by commissioner; rights of individuals; amending Minnesota Statutes 1976, Sections 15.162, Subdivisions 2a, 3, 4, 5, and 6; 15.1642; and 15.165.

Was read the third time, as amended by the Conference Committee, and placed on its repassage.

The question was taken on the repassage of the bill, as amended by the Conference Committee.

The roll was called, and there were yeas 53 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Frederick	Knutson	Olhoff	Staples
Ashbach	Gearty	Laufenburger	Olson	Stokowski
Bang	Gunderson	Lessard	Penny	Strand
Benedict	Hanson	Lewis	Peterson	Stumpf
Bernhagen	Hughes	Luther	Pillsbury	Tennessen
Brataas	Humphrey	Menning	Renneke	Ulland, J.
Coleman	Johnson	Merriam	Schmitz	Vega
Davies	Keefe, J.	Moe	Setzpfandt	Wegener
Dieterich	Keefe, S.	Nelson	Sikorski	Willet
Dunn	Kleinbaum	Nichols	Sillers	
Engler	Knoll	Ogdahl	Spear	

So the bill, as amended by the Conference Committee, was repassed and its title was agreed to.

Without objection, the Senate reverted to the Order of Business of Introduction and First Reading of Senate Bills.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bill was read the first time and referred to the committee indicated:

Messrs. Wegener, Kleinbaum, Dunn, Olson and Chmielewski introduced—

S. F. No. 1567: A bill for an act relating to taxation; providing that compensation for service in the Minnesota national guard be exempt from the income tax; amending Minnesota Statutes 1976, Section 290.01, Subdivision 20.

Referred to the Committee on Taxes and Tax Laws.

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Dieterich moved that H. F. No. 8, No. 1 on General Orders, be stricken and re-referred to the Committee on Commerce. The motion prevailed.

Without objection, the Senate reverted to the Order of Business of Messages From the House.

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. 5: A House concurrent resolution relating to adjournment until 1978.

Edward A. Burdick, Chief Clerk, House of Representatives
Transmitted May 23, 1977

MOTIONS AND RESOLUTIONS—CONTINUED

Mr. Coleman moved that House Concurrent Resolution No. 5 be now adopted.

House Concurrent Resolution No. 5: A House concurrent resolution relating to adjournment until 1978.

BE IT RESOLVED, by the House of Representatives, the Senate concurring, that upon their adjournment May 23, 1977, the House of Representatives may set its next day of meeting for January 17, 1978 at 12:00 noon and the Senate may set its next day of meeting for January 17, 1978 at 12:00 noon.

BE IT FURTHER RESOLVED, that this resolution is the consent of each house for the other to adjourn for more than three days following May 23, 1977.

The motion prevailed. So the resolution was adopted.

Mr. Coleman moved that the Senate do now adjourn until 12:00 o'clock noon, Tuesday, January 17, 1978. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate

**COMMUNICATIONS RECEIVED SUBSEQUENT TO ADJOURNMENT
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. 411 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 411: A bill for an act relating to peace officers; providing for training and licensing of all peace officers in the state; renaming the peace officer training board; giving the board additional responsibilities; amending Minnesota Statutes 1976, Sections 214.01, Subdivision 3; 626.841; 626.842; 626.843, Subdivision 1; 626.845; 626.846, Subdivision 1 and by adding subdivisions; 626.848; 626.85, Subdivision 1; 626.851, Subdivision 2; 626.854; Chapter 626, by adding a section; repealing Minnesota Statutes 1976, Sections 626.843, Subdivision 4; 626.844; 626.846, Subdivision 2; 626.847; and 626.853.

Senate File No. 411 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 23, 1977

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. 311 and repassed said bill in accordance with the report of the Committee, so adopted.

S. F. No. 311: A bill for an act relating to courts; providing for the selection of chief judges; permitting the assignment of judges to serve in other judicial districts; prescribing duties of the chief justice; providing for the rotation of the duties of family court in Hennepin county; providing for the rotation of the duties of juvenile court in Hennepin and Ramsey counties; prescribing duties of the supreme court administrator; providing continuous terms of court; providing for the payment of judges' salaries and expenses; abolishing de novo jurisdiction of district courts when hearing appeals; creating the office of district administrator; abolishing the office of justice of the peace; providing for appellate panels in district court; providing for the compensation of certain judges upon compliance with certain provisions of the law; amending Minnesota Statutes 1976, Sections 2.724; 260.021, Subdivisions 2 and 3; 480.15, by adding subdivisions; 480.17; 480.18; 484.08; 484.34; 484.54; 484.62; 484.63; 484.65, Subdivisions 1 and 6; 484.66; 485.01; 485.018, by adding a subdivision; 487.01, Subdivisions 1, 3, 5 and 6; 487.02, Subdivision 1; 487.08; 487.25, Subdivision 6; 487.35, Subdivision 1; 487.39; 488.20; 488A.01, Subdivision 10 and by adding a subdivision; 488A.021, Subdivision 8; 488A.10, Subdivisions 1 and 6; 488A.111; 488A.12, Subdivision 5; 488A.18, Subdivision 11 and by adding a subdivision; 488A.19, Subdivision

10; 488A.27, Subdivisions 1 and 6; 488A.281; 488A.29, Subdivision 5; and 525.081, Subdivision 7; Chapters 480, by adding a section; 484, by adding a section; 487, by adding a section; and Laws 1977, Chapter 35, Section 18; repealing Minnesota Statutes 1976, Sections 484.05; 484.09; 484.10; 484.11; 484.12; 484.13; 484.14; 484.15; 484.16; 484.17; 484.18; 484.28; 484.29; 484.47; 485.02; 487.03, Subdivision 4; 487.10, Subdivision 6; 487.35, Subdivisions 2, 3, 4, 5 and 6; 487.39, Subdivision 3; 487.41; 488A.01, Subdivision 11; 488A.021, Subdivision 7; 488A.18, Subdivision 12; 488A.19, Subdivisions 8 and 9; 490.124, Subdivision 7; and Chapters 530; 531; 532; and 633.

Senate File No. 311 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 23, 1977

REPORT FROM THE SECRETARY OF THE SENATE

May 23, 1977

The Honorable Nicholas D. Coleman
Chairman, Committee on Rules and Administration

Pursuant to Senate Rule 51, the following bills remaining on General Orders after adjournment on May 23, 1977, were returned to the Committees indicated:

S. F. No. 1137 to the Committee on Finance.

H. F. No. 316 to the Committee on Judiciary.

Patrick E. Flahaven, Secretary of the Senate

EXECUTIVE AND OFFICIAL COMMUNICATIONS

May 23, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1977 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 1977	Date Filed 1977
23		177	May 20	May 20
96		178	May 20	May 20
143		179	May 20	May 20
147		180	May 20	May 20
191		181	May 20	May 20
218		182	May 20	May 20

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1977	Date Filed 1977
226		183	May 20	May 20
254		184	May 20	May 20
296		185	May 20	May 20
368		186	May 20	May 20
380		187	May 20	May 20
388		188	May 20	May 20
442		189	May 20	May 20
466		190	May 20	May 20
556		191	May 20	May 20
557		192	May 20	May 20
562		193	May 20	May 20
581		194	May 20	May 20
586		195	May 20	May 20
587		196	May 20	May 20
628		197	May 20	May 20
683		198	May 20	May 20
719		199	May 20	May 20
720		200	May 20	May 20
722		201	May 20	May 20
767		202	May 20	May 20
816		203	May 20	May 20
860		204	May 20	May 20
922		205	May 20	May 20
964		206	May 20	May 20
968		207	May 20	May 20
1051		208	May 20	May 20
1064		209	May 20	May 20
1127		210	May 20	May 20
1196		211	May 20	May 20
1291		212	May 20	May 20
1298		213	May 20	May 20
	33	214	May 20	May 20
	40	215	May 20	May 20
	76	216	May 20	May 20
	114	217	May 20	May 20
	166	218	May 20	May 20
	193	219	May 20	May 20
	212	220	May 20	May 20
	323	221	May 20	May 20
	339	222	May 20	May 20
	384	223	May 20	May 20
	445	224	May 20	May 20
	461	225	May 20	May 20
	524	226	May 20	May 20
	541	227	May 20	May 20
	542	228	May 20	May 20
	691	229	May 20	May 20
	920	230	May 20	May 20
	922	231	May 20	May 20
	930	232	May 20	May 20
	1038	233	May 20	May 20
	1172	234	May 20	May 20

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1977	Date Filed 1977
	1194	235	May 20	May 20
	1471	236	May 20	May 20
	1474	237	May 20	May 20

Sincerely,
Joan Anderson Growe,
Secretary of State

May 25, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 102, 223, 270, 288, 506, 541, 558, 603, 625, 766, 796, 828, 928, 1023, 1077, 1087, 1174, 1175, 1293, 1309, 1338, 1362.

Sincerely,
Rudy Perpich, Governor

May 26, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1977 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 1977	Date Filed 1977
	56	238	May 25	May 25
	90	239	May 25	May 25
	140	240	May 25	May 25
	261	241	May 25	May 25
	313	242	May 25	May 25
	635	243	May 25	May 25
	675	244	May 25	May 25
	791	245	May 25	May 25
102		246	May 25	May 25
223		247	May 25	May 25
270		248	May 25	May 25
288		249	May 25	May 25
506		250	May 25	May 25
541		251	May 25	May 25
558		252	May 25	May 25

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1977	Date Filed 1977
603		253	May 25	May 25
625		254	May 25	May 25
766		255	May 25	May 25
796		256	May 25	May 25
828		257	May 25	May 25
928		258	May 25	May 25
1023		259	May 25	May 25
1077		260	May 25	May 25
1087		261	May 25	May 25
1174		262	May 25	May 25
1175		263	May 25	May 25
1293		264	May 25	May 25
1309		265	May 25	May 25
1338		266	May 25	May 25
1362		267	May 25	May 25

Sincerely,

Joan Anderson Growe,
Secretary of State

May 27, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 49, 90, 109, 120, 160, 266, 321, 381, 448, 455, 472, 514, 572, 583, 597, 615, 626, 690, 709, 742, 783, 826, 875, 899, 932, 1070, 1236, 1290, 1334, 1489.

Sincerely,

Rudy Perpich, Governor

May 27, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1977 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 1977	Date Filed 1977
	45	268	May 26	May 26
	79	269	May 26	May 26

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1977	Date Filed 1977
	106	270	May 26	May 26
	206	271	May 26	May 26
	257	272	May 26	May 26
	296	273	May 26	May 26
	460	274	May 26	May 26
	491	275	May 26	May 26
	672	276	May 26	May 26
	733	277	May 26	May 26
	808	278	May 26	May 26
	817	279	May 26	May 26
	829	280	May 26	May 26
	914	281	May 26	May 26
	916	282	May 26	May 26
	917	283	May 26	May 26
	921	284	May 26	May 26
	947	285	May 26	May 26
	954	286	May 26	May 26
	972	287	May 26	May 26
	1017	288	May 26	May 26
	1079	289	May 26	May 26
	1107	290	May 26	May 26
	1129	291	May 26	May 26
	1155	292	May 26	May 26
	1161	293	May 26	May 26
	1184	294	May 26	May 26
	1259	295	May 26	May 26
	1275	296	May 26	May 26
	1310	297	May 26	May 26
	1337	298	May 26	May 26
	1386	299	May 26	May 26
	1405	300	May 26	May 26
	1498	301	May 26	May 26
	1518	302	May 26	May 26

Sincerely,

Joan Anderson Growe,
Secretary of State

May 31, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1977 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 1977	Date Filed 1977
49		303	May 27	May 27
90		304	May 27	May 27
109		305	May 27	May 27
120		306	May 27	May 27
160		307	May 27	May 27
266		308	May 27	May 27
321		309	May 27	May 27
381		310	May 27	May 27
448		311	May 27	May 27
455		312	May 27	May 27
472		313	May 27	May 27
514		314	May 27	May 27
572		315	May 27	May 27
583		316	May 27	May 27
597		317	May 27	May 27
615		318	May 27	May 27
626		319	May 27	May 27
690		320	May 27	May 27
709		321	May 27	May 27
742		322	May 27	May 27
783		323	May 27	May 27
826		324	May 27	May 27
875		325	May 27	May 27
899		326	May 27	May 27
932		327	May 27	May 27
1070		328	May 27	May 27
1236		329	May 27	May 27
1290		330	May 27	May 27
1334		331	May 27	May 27
1489		332	May 27	May 27
	41	333	May 27	May 27
	231	334	May 27	May 27
	297	335	May 27	May 27
	314	336	May 27	May 27
	319	337	May 27	May 27
	324	338	May 27	May 27
	769	339	May 27	May 27
	902	340	May 27	May 27
	952	341	May 27	May 27
	1004	342	May 27	May 27
	1094	343	May 27	May 27
	1193	344	May 27	May 27
	1201	345	May 27	May 27
	1223	346	May 27	May 27
	1305	347	May 27	May 27
	1421	348	May 27	May 27
	800	349	May 27	May 27
	500	350	May 27	May 27

Sincerely

Joan Anderson Growe,
Secretary of State

June 2, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State S. F. Nos. 73, 80, 124, 181, 202, 274, 311, 649, 655, 695, 743, 830, 896, 411, 971, 977, 1029, 1172, 1349 and 1395.

Sincerely,

Rudy Perpich,
Governor

June 3, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1977 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 1977	Date Filed 1977
	6	351	June 2	June 2
	15	352	June 2	June 2
	16	353	June 2	June 2
	26	354	June 2	June 2
	82	355	June 2	June 2
	83	356	June 2	June 2
	105	357	June 2	June 2
	129	358	June 2	June 2
	157	359	June 2	June 2
	167	360	June 2	June 2
	176	361	June 2	June 2
	180	362	June 2	June 2
	223	363	June 2	June 2
	242	364	June 2	June 2
	256	365	June 2	June 2
	259	366	June 2	June 2
	293	367	June 2	June 2
	315	368	June 2	June 2
	320	369	June 2	June 2
	331	370	June 2	June 2
	343	371	June 2	June 2
	351	372	June 2	June 2
	398	373	June 2	June 2
	411	374	June 2	June 2

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1977	Date Filed 1977
	415	375	June 2	June 2
	437	376	June 2	June 2
	447	377	June 2	June 2
	451	378	June 2	June 2
	456	379	June 2	June 2
	462	380	June 2	June 2
	522	381	June 2	June 2
	530	382	June 2	June 2
	536	383	June 2	June 2
	559	384	June 2	June 2
	562	385	June 2	June 2
	585	386	June 2	June 2
	586	387	June 2	June 2
	611	388	June 2	June 2
	613	389	June 2	June 2
	676	390	June 2	June 2
	723	391	June 2	June 2
	728	392	June 2	June 2
	756	393	June 2	June 2
	772	394	June 2	June 2
	789	395	June 2	June 2
	801	396	June 2	June 2
	818	397	June 2	June 2
	823	398	June 2	June 2
	848	399	June 2	June 2
	856	400	June 2	June 2
	875	401	June 2	June 2
	938	402	June 2	June 2
	962	403	June 2	June 2
	967	404	June 2	June 2
	971	405	June 2	June 2
	980	406	June 2	June 2
	993	407	June 2	June 2
	1015	408	June 2	June 2
	1030	409	June 2	June 2
	1040	410	June 2	June 2
	1052	411	June 2	June 2
	1054	412	June 2	June 2
	1060	413	June 2	June 2
	1102	414	June 2	June 2
	1113	415	June 2	June 2
	1215	416	June 2	June 2
	1226	417	June 2	June 2
	1252	418	June 2	June 2
	1276	419	June 2	June 2
	1283	420	June 2	June 2
	1300	421	June 2	June 2
	1457	422	June 2	June 2
	1475	423	June 2	June 2
	1582	424	June 2	June 2
	937	425	June 2	June 2
		426	June 2	June 2

S. F. No.	H. F. No.	Session Laws Chapter No.	Date Approved 1977	Date Filed 1977
80		427	June 2	June 2
124		428	June 2	June 2
181		429	June 2	June 2
202		430	June 2	June 2
274		431	June 2	June 2
311		432	June 2	June 2
411		433	June 2	June 2
649		434	June 2	June 2
655		435	June 2	June 2
695		436	June 2	June 2
743		437	June 2	June 2
830		438	June 2	June 2
896		439	June 2	June 2
971		440	June 2	June 2
977		441	June 2	June 2
1029		442	June 2	June 2
1172		443	June 2	June 2
1349		444	June 2	June 2
1395		445	June 2	June 2
	1236	446	June 2	June 2

Sincerely,
Joan Anderson Growe,
Secretary of State

June 8, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. Nos. 1337, 1416.

Sincerely,
Rudy Perpich, Governor

June 9, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

I have the honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S. F. No. 1467.

Sincerely,
Rudy Perpich, Governor

June 9, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1977 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 1977	Date Filed 1977
	550	447	June 8	June 8
	1051	448	June 8	June 8
	1510	449	June 8	June 8
	1630	450	June 8	June 8
	1631	451	June 8	June 8
1337		452	June 8	June 8
1416		453	June 8	June 8

Note: Due to oversight, H. F. 105, being Chapter 357, 1977 Session Laws, is being *vacated*, on advice of the Revisor's Office.

H. F. 105 was intended to be, and is, a Resolution (No. 001) and is to be treated as such.

Please correct your records; delete Chapter 357—that number will not be used for 1977; add Resolution 001 (for H. F. 105).

Sincerely,
Joan Anderson Growe,
Secretary of State

June 9, 1977

The Honorable Martin O. Sabo
Speaker of the House of Representatives

The Honorable Edward J. Gearty
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1977 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 1977	Date Filed 1977
	1610	454	June 9	June 9
1467		455	June 9	June 9

Sincerely,
Joan Anderson Growe,
Secretary of State

June 15, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

Pursuant to Laws 1977, Chapter 454, Section 45, Subdivision 1, Paragraph (a) I have appointed Mr. David Schaaf to serve as a nonvoting member of the steering committee concerned with the feasibility study of the St. Paul People Mover.

Sincerely,

Nicholas D. Coleman
Senate Majority Leader

June 15, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The Subcommittee on Committees met on Friday, June 10, 1977, and by appropriate action made the following appointments:

Pursuant to Laws 1977—

Chap. 423. Tax Study Commission

Messrs. McCutcheon, Davies, Hanson, Jensen, Merriam, Peterson and Sillers

Chap. 423. Iron Range Resources and Rehabilitation Board

Messrs. Perpich, Coleman, Dunn, Johnson and Lessard

Chap. 342. Workers' Compensation Study Commission

Messrs. Keefe, S. and Laufenburger and Mrs. Brataas

Chap. 311. Commission to Study Statewide 911 Telephone Emergency System

Messrs. Keefe, S. and Renneke

Respectfully submitted,

Nicholas D. Coleman, Chairman
Subcommittee on Committees

September 6, 1977

The Honorable Edward J. Gearty
President of the Senate

Dear Sir:

The Subcommittee on Committees has made the following appointments:

Pursuant to Laws 1977—

Chap. 445. Legislative Commission to Study Public Broadcasting in the State

Mr. Humphrey, Chairman; Mrs. Brataas; Messrs. Dieterich; Schmitz and Setzepfandt

Chap. 430. Joint Legislative Study Committee to the Department of Economic Security

Messrs. Nelson, Chairman; Chenoweth and Knutson

Respectfully,

**Nicholas D. Coleman, Chairman
Subcommittee on Committees**